METALS X LIMITED

2013 ANNUAL REPORT

CORPORATE DIRECTORY

DIRECTORS
Peter Newton (Non-Executive Chairman)
Peter Cook (Executive Director & CEO)
Warren Hallam (Executive Director)
Paul Cmrlec (Non-Executive Director)
Andrew Ferguson (Non-Executive Director)
Simon Heggen (Non-Executive Director)
Xie Penggen (Non-Executive Director)
Yimin Zhang (Alternate for Xie Penggen)

COMPANY SECRETARY & CFO
Fiona Van Maanen

KEY MANAGEMENT
Ross Cook (General Manager – Bluestone Mines Tasmania JV)
Paul Hucker (Chief Operating Officer)
Michael Poepjes (Chief Mining Engineer)
Jake Russell (Group Chief Geologist)

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DOMICILE AND COUNTRY OF INCORPORATION
Australia

METALS X LIMITED

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COMPANY PROFILE

Metals X Limited ("Metals X" or "the Company") is an Australian based **diversified metals producer and explorer**.

The Company is focused on identifying, developing and bringing into production high quality mining projects. Metals X currently operates in three divisions, representing the three priority metals: **tin, nickel and gold**.

Metals X's tin assets make the company unique as the **only producing tin company in Australia** with the largest Mineral Resources and Ore Reserves and one of the few publicly listed companies in the world with significant exposure to tin.

The Company's nickel assets include the massive Wingellina Nickel Project, one of the world's **largest undeveloped nickel-cobalt limonite deposits**. The Wingellina Project is supported by a substantial amount of development and feasibility work, has significant further upside exploration potential and has attracted the attention of international partners.

Metals X's gold division is based on **two gold development projects**, the Central Murchison Gold Project in Western Australia hosting a total Identified Mineral Resource Estimate of 5M ounces, and the Rover Project in the Northern Territory targeting a Tennant Creek style goldfield containing the Rover 1, Explorer 108 and Explorer 142 prospects and currently hosts a total Identified Mineral Resource Estimate of 1.2M ounce gold equivalent.

CHAIRMAN'S STATEMENT

Dear Shareholder,

The 2012-2013 year was entered with much enthusiasm for a recovery in commodity prices and market sentiment. Much to our dismay, the year has witnessed continued decline in market sentiment, possibly resulting in the worst market sentiment in the small resources sector I have seen in the last 40 years in Australia.

That said our Company remains in a very strong position. We have a strong cash balance, trading as I write at nearly 50% cash backing, we have no corporate debt, and our operational assets remain cash positive.

Our tin division has not been spared in the downturn despite a compelling and positive macro-economic outlook for tin; the tin price has dropped in sympathy with other base metals. This has impacted our revenue and profits, which whilst being lower than expected, remain positive. Our geologists have had a good year witnessed by large mineral resource and ore reserves increases. As the only tin producer in Australia we are set to benefit exponentially from the predicted higher tin prices and global economic outlook.

During the year we completed the consolidation of ownership of all our main gold interests with the merger by scheme of arrangement with Westgold Resources Ltd. Unfortunately, a rout in the gold market with a large fall in the gold price quickly followed this. We have large gold inventory and many development opportunities and options for our gold assets as these are now wholly owned by Metals X Limited. I assure our shareholders that despite the gold market and industry facing some difficult times, your Company will not be racing out and betting the farm on any risky developments.

Our nickel division has also been subjected to what appears to be a cyclical down-turn in the nickel and stainless steel industries. Our executive team has done an excellent job obtaining interest and support of world leader, Samsung and other Korean interests in the project development. This endorsed our confidence in the project, which hopefully in the not too distant future, will make it to production and be a game-changer for its owners. Prudently, we temporarily suspended expenditure on engineering works for the planned project development until a stronger outlook for nickel and stainless steel returns and will now concentrate on the long lead time items to move the project towards development.

We have made a number of changes to our Board over the past year, aligning independence with shareholder representatives from a corporate governance perspective. In response to the down-turn, we have reduced our administration costs by reducing our executive team to two. Peter Cook is back in the chair as CEO and Executive Director along with his long-term colleague Warren Hallam. I believe we are in sound hands here and I thank our hard working executive and management team for their strength and commitment during the year.

So, I reiterate that your Company is in good shape, it may have been dragged down by a chronically depressed market, but we remain profitable, soundly managed with no financial pressures and I am convinced that we will recover strongly with improving markets and commodity prices.

Peter Newton
Non-Executive Chairman

OPERATIONS REVIEW

The net profit after income tax of the Consolidated Entity for the period was $8.7M (2012: $43.7M loss), an increase of 120% compared to the previous year. This result reflects an operating profit of $9.5M, and recognition of an income tax benefit of $10.6M associated with the acquisition of Westgold Resources Ltd ("Westgold"), which were offset by asset and investment impairments/write offs of $8M and costs associated with the merger with Westgold of $3M.

TIN DIVISION

Metals X's Tin Division contains the Company's current production asset and a number of high quality development opportunities.

The Company's primary revenue source is a 50% share of the Bluestone Mines Tasmania Joint Venture ("Joint Venture"). The Joint Venture is operated in conjunction with YT Parksong Australia Holding Pty Ltd ("YTPAH"), a partnership between Yunnan Tin Limited, China's largest tin producer and L'Sea Resources, a Hong Kong based resources company. The Joint Venture owns and operates Australia's only producing tin mine and Australia's highest quality tin exploration and development assets.

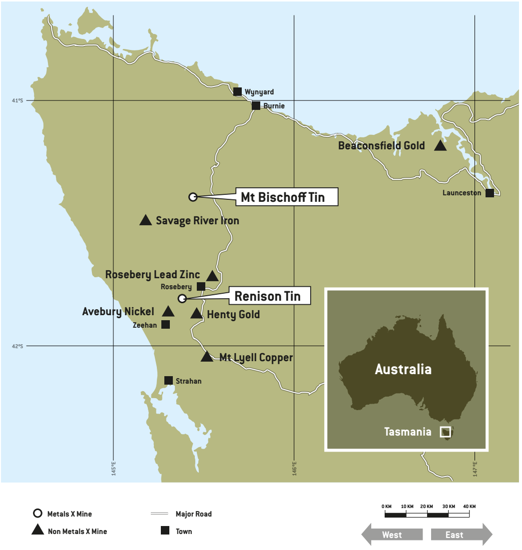
The Joint Venture's Renison Project is a globally significant hard rock underground tin deposit which has almost been in constant production since 1965, which is complemented by the Joint Venture's portfolio that includes the Mt Bischoff Mine, and the Renison Expansion Project.

The Mt Bischoff Mine is a historically significant tin mine, currently being held on care and maintenance with surface and underground exploration potential being assessed.

The Renison Expansion Project is a development project focused on the reprocessing of the large amount of historic tailings at the Renison Mine site using modern technology and is currently the second largest tin resource in Australia.

RENISON PROJECT

The Renison Project is located on Tasmania's West Coast, approximately 15km North East of Zeehan.

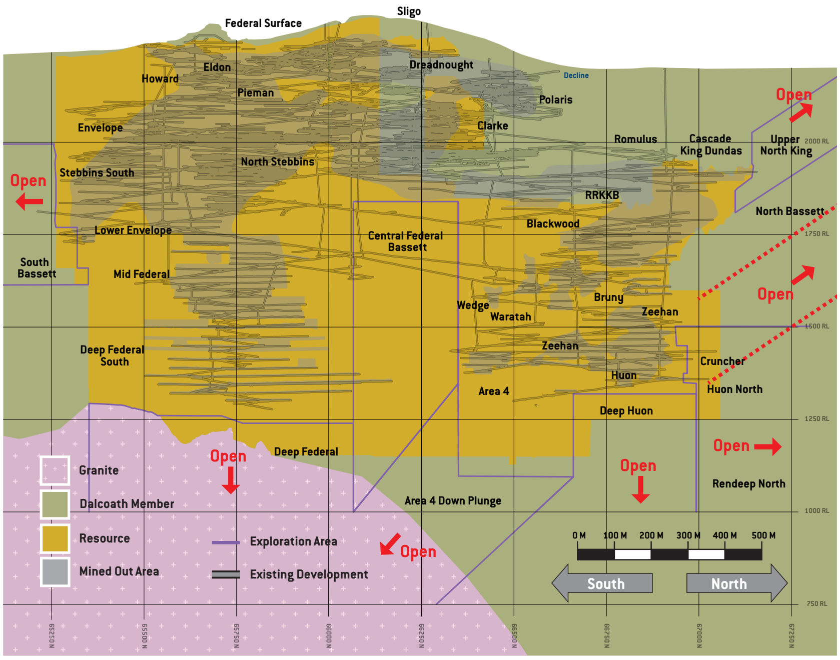


Renison Tin and Mt Bischoff Tin Project Locations

The Renison Project was brought back into production by Metals X in 2008. After considerable capital reinvestment and refurbishment a ramp-up period ensued over the following two years. In 2010, Metals X sold a 50% interest in the Renison Project to YPTAH and the newly formed Bluestone Mines Tasmania Joint Venture ("BMTJV") assumed management of the assets.

The Renison Project holds significant assets, including a nominal 700,000tpa tin-concentrator plant, a large amount of underground mine and associated surface infrastructure including a 100 person accommodation village.

Mine production at Renison occurs across multiple levels, with northern and southern parts of the mine accessed by separated decline accesses. Ore is primary crushed underground and hoisted to the surface in a modern fully-automated friction winder and hoist system.



Renison Mine Schematic

In February 2013, following a re-tender scope for underground works, BMTJV appointed Barminco Limited as the new underground mining contractor for the ensuing three years. In a complex changeover process Barminco commenced operations at Renison in mid-March 2013.

RENISON PROJECT OPERATING RESULTS 2013

Production during 2013 was steady and slightly improved from 2012 but still below targeted levels and expectations of the owners. Production was negatively impacted during 2013 by short-term productivity losses brought about by the contractor change-out process and general under performance of the previous contractor. The new contractor is now fully established and steady improvements in productivity have been observed as noted in the most recent quarter that should enable Metals X to reach its targets for the Renison operations in the coming year.

The long-term objective for Renison is a continuous, steady production rate of approximately 58,000 tonnes of ore per month (700,000tpa) and the production of 7,000-7,500 tonnes of tin in concentrates per annum.

The operating results for Metals X's 50% share of the Renison Project in 2013 are summarised below:

	2013	2012
Mining		
Renison Underground		
Ore Hoisted (tonnes)	300,177	267,697
Grade (% Sn)	1.56	1.46
Tin Concentration		
Tonnes Processed (tonnes)	301,924	272,792
Grade (% Sn)	1.55	1.45
Recovery (%)	67	63
Concentrate Grade (% Sn)	55	53
Copper Metal Produced (tonnes)	87	242
Tin Metal Produced (tonnes)	3,159	2,500
Tin Metal Sales (tonnes)	3,060	2,445
Operating Cost ($/t Sn)	$15,314	$18,708
Average Realised Tin Price ($/t Sn)	$20,525	$20,006

RENISON PROJECT TIN CONCENTRATOR

Production from the tin concentrator throughout the year was constrained at times by mine output and by increasingly harder ores from the Federal lodes. The addition of softer and more sulphidic skarn-ore from the northern part of the mine has benefited throughout, with nameplate capacity being exceeded on numerous occasions.

Metallurgical recoveries have been generally in line with expectations and circuit changes and equipment additions undertaken throughout the year continuing to provide a positive impact on recoveries.

The processing plant's copper circuit was operated on an intermittent basis when higher copper levels in the feed grade and attractive plant dynamics allowed.

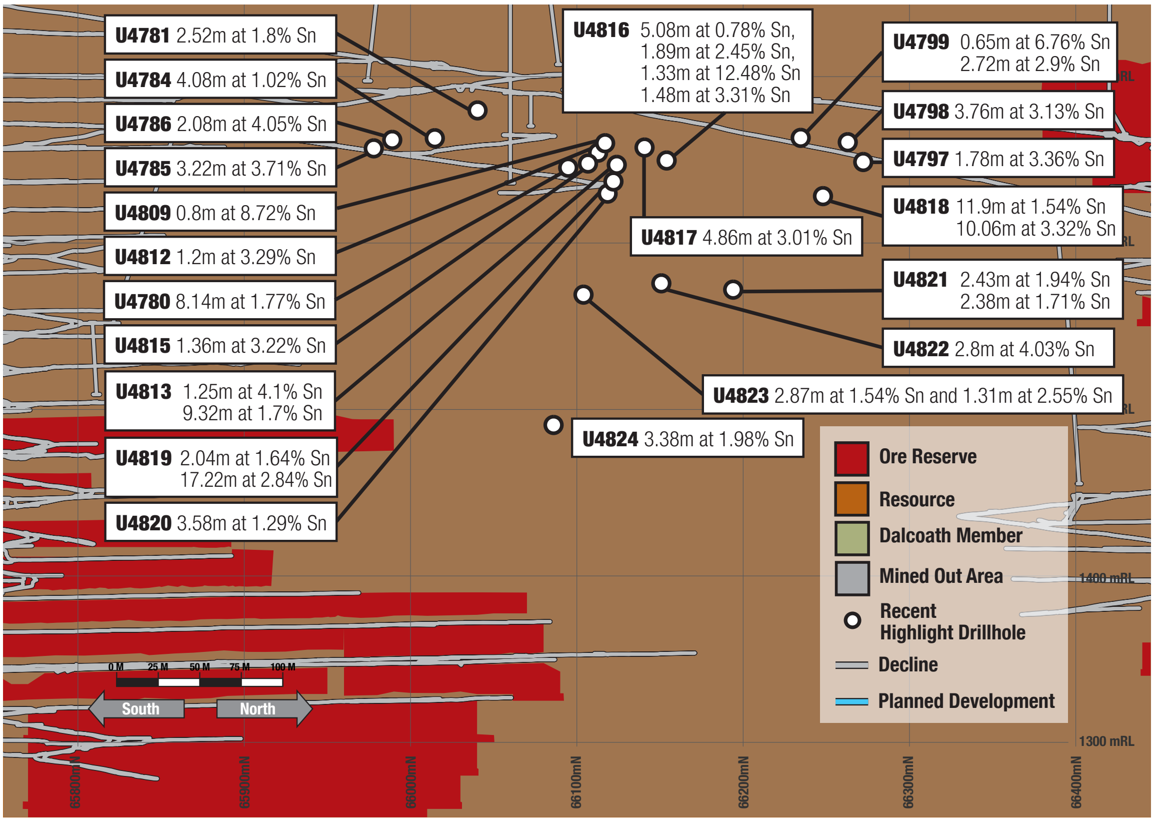
RENISON PROJECT EXPLORATION, MINERAL RESOURCE AND ORE RESERVES

Underground exploration at Renison has continued to provide consistent, high quality results throughout the year with work focused on upgrading resources within the Federal, Central Federal Basset and Deep Huon zones and expanding the boundaries of the current resource in the Huon North and North King areas.

Resource definition in 2013 resulted in another highly successful year with further gains being made to both the Mineral Resource and Ore Reserves.

After considering mine depletion, the Total Ore Reserve for the Renison Project increased by 16% or 7,500 tonnes to 53,100 tonnes of contained tin metal. The Total Mineral Resource increased by 2% to 155,900 tonnes of contained tin metal.

The stand out result for the year was the advancement of the Central Federal Bassett zone. This area now has a Measured and Indicated Resource of 2.1Mt at 1.8% Sn containing 37,100 tonnes of tin metal. This area hosts a Probable Reserve of 0.9Mt at 1.4% Sn containing 12,600 tonnes of tin metal.



Recent results from the Central Federal Bassett Zone

The Central Federal Bassett zone is advantageously near the existing decline infrastructure and between the north and southern declines. Development into this area has already commenced.

Recent results have also extended the resource and demonstrated potential for additional resource in the Huon North zone, located adjacent to the active, high grade Huon stopes.

Metals X's high levels of capital mine re-investment and excellent exploration results continue to demonstrate the outstanding future potential of the Renison Project.

RENISON EXPANSION PROJECT ("RENTAILS PROJECT")

The Renison tin concentrator has generated a significant quantity of process tailings accumulated over its lifetime of operation. The Rentails Project aims to re-process and recover tin and copper from the tailings by the application of modern processing technology in flotation, gravity and tin-fuming methods.

The Total Mineral Resource for the Rentails project is estimated at 21Mt at an average grade of 0.45% Sn and 0.21% Cu, containing some 93,000 tonnes of tin and 44,000 tonnes of copper.

A Definitive Feasibility Study ("DFS") of the mining and re-processing of the tailings for the project was completed in 2009. The DFS concluded that a 10 year project could be established using an integrated 2Mtpa tin concentrator and tin fumer plant could be constructed to produce approximately 5,300 tonnes of tin and 2,000 tonnes of copper contained in concentrate per annum.

Financial outcomes of the DFS estimated that tin metal could be produced at an average annual cost of production of approximately A$12,000 per tonne of tin after copper credits (assuming a copper price of A$6,250 per tonne). Capital costs were estimated at A$195M +/- 15%.

The Project would also allow for the treatment of additional known tin sulphide (stannite) ore bodies located in the region that are currently not treatable or viable without a tin fumer.

Metals X continues to work with its Joint Venture partners to establish the best path to bring the project into development.

MT BISCHOFF PROJECT

The Mt Bischoff Project is located approximately 80km north of the Renison mine. Mt Bischoff was a significant historical tin operation, producing some 60,000 tonnes of tin metal since the late 1800's. Open pit mining by Metals X between 2009 and 2011 produced a further 5,000 tonnes of tin metal before the initial open pit mine was depleted. Whilst the mine remains on care and maintenance, significant resources remain at depth and numerous historically mined areas remain under explored.

Geophysical programs completed during the year defined a number of conceptual targets. A drill rig began a program of diamond drilling at the North Summit target, located proximally to the historic Giblin Vein workings. The Company is still awaiting the results of the program.

COLLINGWOOD TIN PROJECT

The Collingwood Tin Project is located in Far North Queensland approximately 30km south of Cooktown. The Company decided to dispose of these assets in 2012 and is currently offering the project for sale. In the meantime the project remains under care and maintenance and mine closure activities have commenced.

TIN MARKET

The average LME US dollar tin price for the year was approximately $21,434/tonne. The high Australian dollar through much of the year translated to an average LME Australian dollar tin price of $20,878 compared to $21,500 for the previous year. Most metal price analysts are forecasting deficits in supply in future years and coincident higher prices for the metal.

NICKEL DIVISION

The key asset of the Nickel Division is the Central Musgrave Project (CMP) located at the triple point of the state of Western Australia, South Australia and Northern Territory.

The Wingellina Prospect is part of the larger regional CMP and is one of the largest undeveloped nickeliferous 'pure oxide' limonite accumulations in the world.

The Wingellina Project has a total Mineral Resource of 187Mt of ore at 1% nickel, 0.08% cobalt and 47% Fe_2O_3. Over 167Mt or 90% of this resource is classified as Probable Mining Reserve. The mineralogy of the Wingellina ore is a major strength of the project as unlike most Australian nickel laterite projects, Wingellina ore has characteristics perfectly suited to High Pressure Acid Leaching (HPAL), with high iron-oxide grades (resource average 47% Fe_2O_3) and a very low concentration of magnesium (resource average 1.6% Mg).

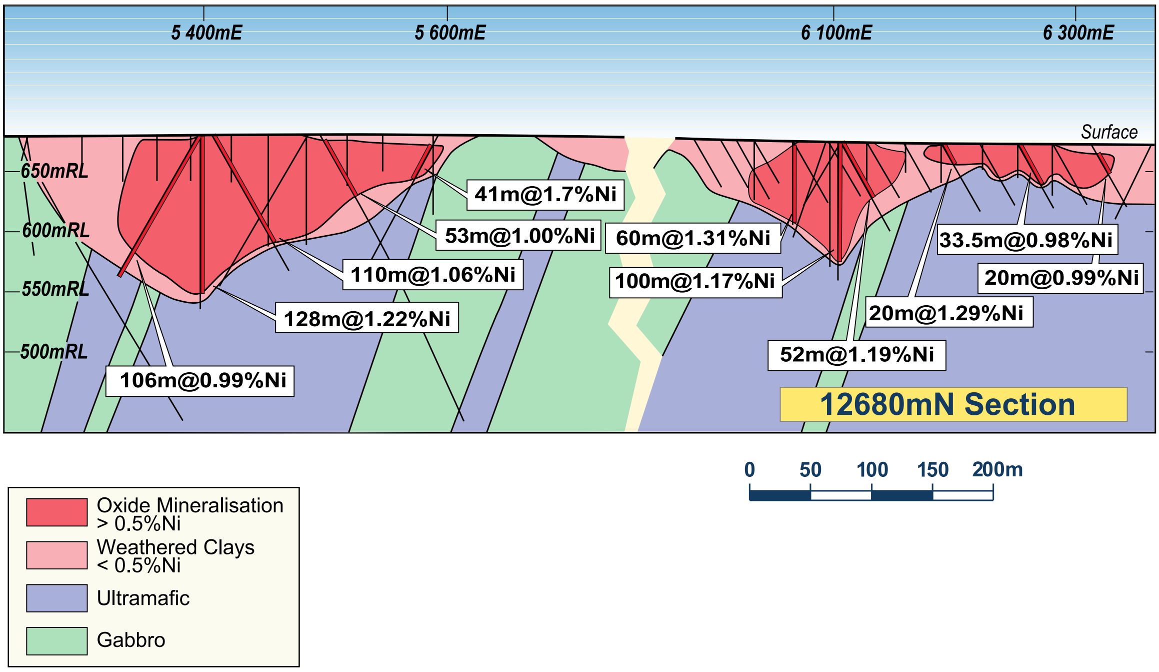
Metals X completed a Phase 1 Feasibility Study (+/– 25%) in 2008, which defined a robust project with a minimum 40 year mine life at an average annual production rate of 40,000 tonnes of nickel and 3,000 tonnes of cobalt. The Phase 1 Feasibility Study assumed a nickel price of US$20,000 per tonne nickel, US$40,000 per tonne cobalt and an A$/US$ exchange rate of 0.85, resulting in an estimated NPV(8%) of $3.4 Billion at a production cost of US$3.34/lb after cobalt credits.

A landmark mining agreement for the Wingellina project was signed in July 2010 with the Traditional Owners of the Ngaanyatjarra Lands through their representative bodies. The agreement provides the right to mine and develop infrastructure within the agreement area subject to regulatory approvals and for the grant of a mining lease.

Metals X continued to pursue development options and in September 2012 signed a non-binding Memorandum of Understanding with Samsung C&T Corporation to collaborate on completing an updated Detailed Feasibility Study (DFS).

SNC-Lavalin was awarded the role as key engineer for the study, however in response to falling nickel and cobalt prices and depressed nickel market outlook, a decision was made in June 2013 to defer the expenditure on the updated feasibility for a period of up to 12 months.

Whilst the detailed engineering works for the DFS have been suspended, Metals X continues to use its internal resources to complete other long lead-time studies required, including infrastructure, roads, rail and ports studies, and the completion of the Public Environmental Review documentation which is required for final EPA approvals.



Indicative Wingellina Project cross section demonstrating exceptional weathering profile

CLAUDE HILLS PROJECT

The Claude Hills deposit is located approximately 30km to the East of Wingellina. A significant exploration project was completed in 2011 which identified an initial deposit of 33.3Mt at 0.81% Ni and 0.07% Co. The additional resource at Claude Hills demonstrates the potential to add a significant amount of additional reserves and mine life to the Wingellina Project.

MT DAVIES

During the year Metals X reached agreement with Rio Tinto Limited ("Rio Tinto") to purchase 100% of the Mt Davies Prospect which was completed on 14 August 2013. Mt Davies had been previously operated as a joint venture between Metals X and Rio Tinto since 2009.

Metals X also believes the layered intrusives of the Wingellina complex are highly prospective for the discovery of nickel and copper sulphides. Metals X completed an airborne electro-magnetic survey (Spectrum) for primary nickel and copper sulphide mineralisation covering 5,370 line kilometres in 2012. The survey identified a number of high priority targets considered to represent deep-seated conductors that could potentially indicate nickel-copper sulphide bodies in the layered intrusive complex.

The acquisition of the Mt Davies Prospect gives Metals X complete control over the entire Wingellina layered intrusive complex.

Metals X has developed work programs for these high priority targets and is undertaking landowner heritage clearances to enable the Company to commence work on the evaluation of the additional nickel targets.

GOLD DIVISION

In October 2012 Metals X completed a merger by scheme of arrangement with Westgold. Metals X had previously been the major shareholder of Westgold holding up to a 35% interest. Following the merger, Westgold became a 100% owned subsidiary of Metals X and the Company gained a gold division headlined by two development projects, the Central Murchison Gold Project in Western Australia and the Rover Project in the Northern Territory.

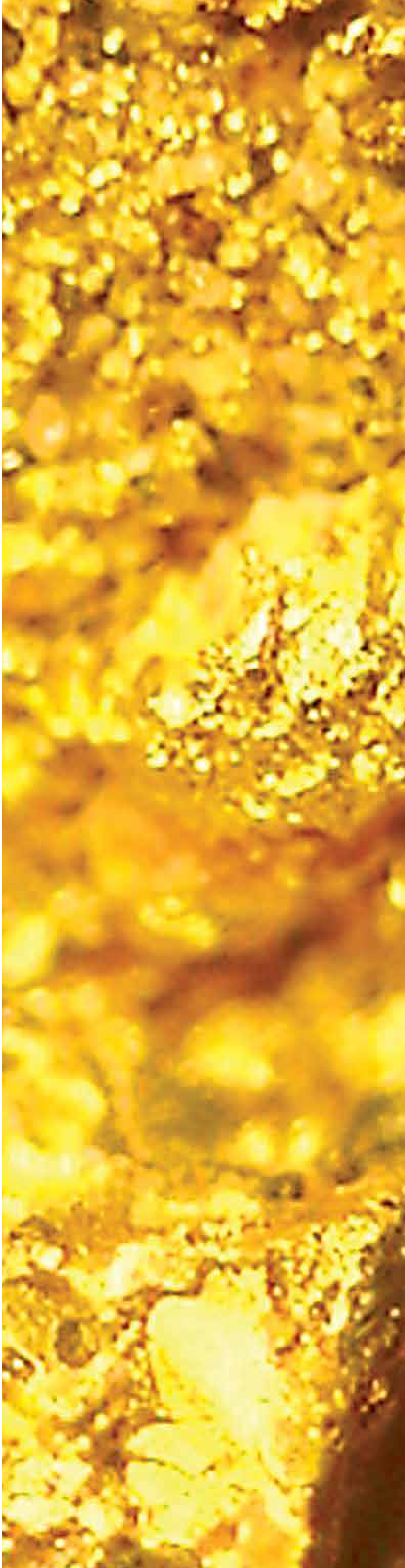
CENTRAL MURCHISON GOLD PROJECT

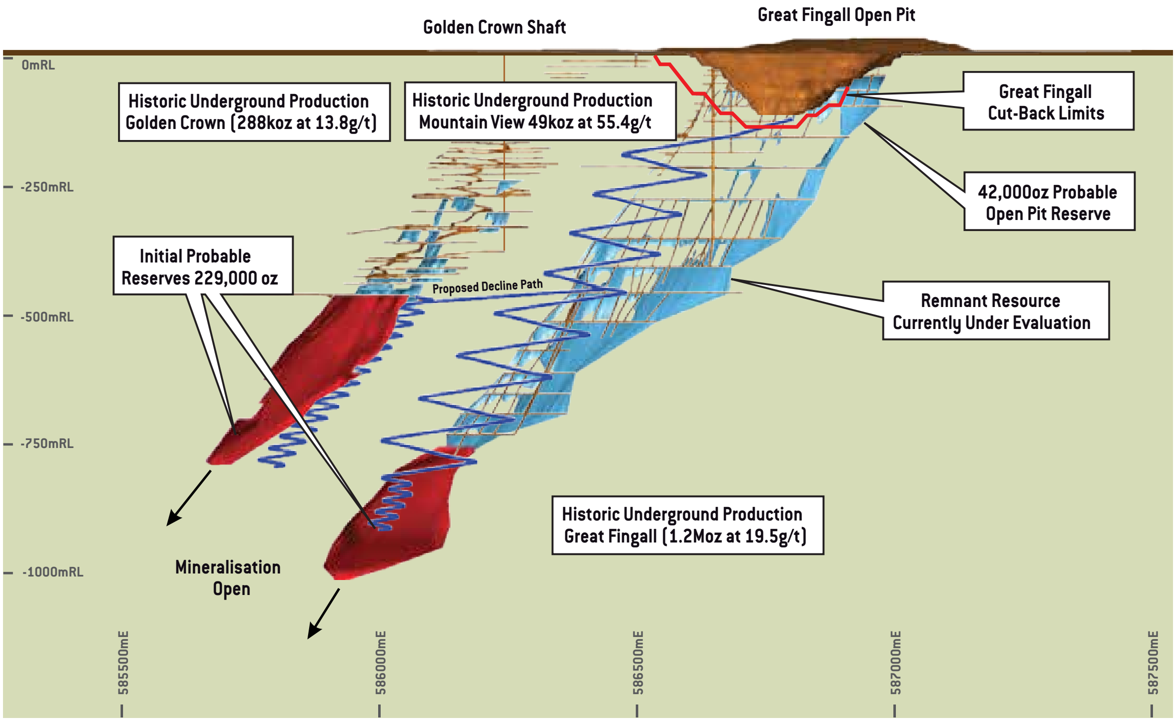
The Central Murchison Gold Project ("CMGP") is located in the Cue district approximately 650km NE of Perth. The CMGP encompasses the three historic and adjacent gold production centres of Big Bell, Cuddingwarra and Day Dawn. Historic gold production from the three areas is in excess of 5M ounces with Metals X's tenements covering some of the biggest past producers and most prospective ground. In addition to the past production, the current Total Mineral Resource of the CMGP is 4.95M ounces of gold (62.9Mt at 2.48 g/t Au).

The heart of the CMGP project are the higher-grade, proven underground mines of Great Fingall, Golden Crown and Big Bell which have been the prolific producers of the field. Additional lower-grade open pits, historic tailings and low-grade stockpiles provide additional production at lower margins.

Metals X completed a definitive feasibility study ("DFS") commenced by Westgold which was built around an integrated development of stockpiles, tailings, open pits and underground mines of the CMGP in January 2013. Since then, the increasing volatility and decline in the gold price have led Metals X to undertake a review of its development options including the suitability of the DFS strategy. Metals X remains confident of the potential of the CMGP.

Metals X is looking at several options for the development of the CMGP and is currently undertaking development studies focused on the higher grade and higher margin underground mining opportunities at Great Fingall, Golden Crown and Big Bell.





Two highlights of the CMGP, Great Fingall and Golden Crown

The CMGP has the largest resource base of the projects in the Central Murchison region but is without established process plant infrastructure. Metals X has continued to assess the suitability of toll treatment options for medium to low grade ores and has entered discussions with other regional operators.

Throughout the year, Metals X continued to advance all approvals required for the CMGP.

ROVER PROJECT

The Rover Project consists of 1,172km^2 of contiguous granted tenements which host a province analogous to the historic Tennant Creek goldfield, located 80km to the North East. The Project's location is advantageous, near a major infrastructure corridor adjacent to the Central Australian Railway, gas pipeline and Stuart Highway.

Exploration to date has so far tested three blind geophysical targets within the project. A significant mineralised Iron Oxide Copper Gold ("IOCG") system has been identified at the Rover 1 (Au-Cu), Explorer 108 (Pb-Zn-Ag) and Explorer 142 (Cu-Au) prospects.

The immediate focus is on the Rover 1 Prospect, which hosts a polymetallic deposit of copper-gold-bismuth-cobalt within a magnetite rich host. The Total Mineral Resource is 1.22M ounces of gold equivalence. Development studies undertaken on Rover 1 to date have shown a commercially positive outcome. Metals X is pursuing more detailed studies into the development of Rover 1 and submitted a mine management plan and obtained approval for an exploration decline, which would subsequently be used for production. Due to the currently weakened gold price, the Company is also assessing a shaft access option before finalising the development plan.

The Explorer 108 Prospect also hosts a Total Identified Mineral Resource of 384Kt of zinc, 237Kt of lead and 4.2M ounces of silver.

Metals X continues work to define the optimum development pathway for the Rover Prospects and maintains its excitement for the region.

OTHER EXPLORATION

WARUMPI JOINT VENTURE

The Warumpi Joint Venture, in which Metals X is earning up to an 80% interest, was acquired through the Westgold merger. Warumpi is a significant exploration holding at the base of the Arunta province in the Northern Territory. The area 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. Metals X is undertaking the first modern exploration program in this highly under explored region.

Initial geochemical sampling over prospective portions of the tenement have been completed identifying nickel and cobalt anomalism, approximating what is currently interpreted as a layered mafic intrusion. A separate low-level gold anomaly 1.25km in strike has been defined in another part of the tenure.

It is anticipated that all cleared tenure will be infill sampled prior to the coming wet season. This will allow results to be analysed and suitable geophysical surveys defined prior to the year's end in anticipation of continued on ground exploration activities early in calendar 2014.

INVESTMENTS

Metals X has made a number of smaller investments in opportunities that suit its future plans or are within emerging markets with growth opportunities.

This investment strategy allows Metals X to fund and finance exploration and development activities in dedicated entities without competition with the capital requirements of our own operations.

Metals X's current investment holdings are:

- Reed Resources Limited ("Reed") (ASX:RDR) 4.99% (2012: 5.17%);
- Mongolian Resource Corporation Limited ("MRC") (ASX:MUB) 14.76% (2012: 14.76%); and
- Aziana Limited ("Aziana") (ASX:AZK) 13.73% (2012, 25.0%).

TIN DIVISION

MINERAL RESOURCES ESTIMATES – CONSOLIDATED SUMMARY

(Calculated as at 30 June 2013)

Project	Cut-off (%Sn)	Tin Tonnes (kt)	Tin Grade (%Sn)	Tin Sn Metal (kt)	Copper Tonnes (kt)	Copper Grade (%Cu)	Copper Cu Metal (kt)
Measured							
Renison Bell	0.80%	1,251	2.01	25	1,058	0.36	4
Mt Bischoff	0.50%	-	-	-	-	-	-
Rentails	0.00%	20,598	0.45	93	20,598	0.21	44
Collingwood	0.70%	-	-	-	-	-	-
Subtotal		**21,849**	**0.54**	**118**	**21,656**	**0.22**	**48**
Indicated							
Renison Bell	0.80%	6,298	1.44	91	5,594	0.32	18
Mt Bischoff	0.50%	968	0.59	6	-	-	-
Rentails	0.00%	-	-	-	-	-	-
Collingwood	0.70%	651	1.50	9	-	-	-
Subtotal		**7,917**	**1.34**	**106**	**5,594**	**0.32**	**18**
Inferred							
Renison Bell	0.80%	2,510	1.60	40	878	0.40	3
Mt Bischoff	0.50%	699	0.47	3	-	-	-
Rentails	0.00%	-	-	-	-	-	-
Collingwood	0.70%	51	1.39	1	-	-	-
Subtotal		**3,260**	**1.36**	**44**	**878**	**0.40**	**3**
TOTALS							
Renison Bell	0.80%	10,059	1.55	156	7,530	0.34	25
Mt Bischoff	0.50%	1,667	0.54	9	-	-	-
Rentails	0.00%	20,598	0.45	93	20,598	0.21	44
Collingwood	0.70%	702	1.49	10	-	-	-
Grand Total		**33,026**	**0.81**	**268**	**28,128**	**0.25**	**69**

TIN DIVISION (CONTINUED)

MINING RESERVES ESTIMATE – CONSOLIDATED SUMMARY

Mining Reserves are a subset of the Mineral Resource Estimates

Project	Tin			Copper		
	Tonnes (kt)	Grade (%Sn)	Sn Metal (kt)	Tonnes (kt)	Grade (%Cu)	Cu Metal (kt)
Proved Reserves						
Renison Bell	788	1.50	12	790	0.30	2
Subtotal	**788**	**1.50**	**12**	**790**	**0.30**	**2**
Probable Reserves						
Renison Bell	3,349	1.23	41	3,028	0.30	9
Rentails	19,757	0.45	89	19,757	0.21	42
Subtotal	**23,106**	**0.56**	**130**	**22,785**	**0.22**	**51**
Total Mining Reserves						
Renison Bell	4,137	1.28	53	3,818	0.30	11
Rentails	19,757	0.45	89	19,757	0.21	42
Grand Total	**23,894**	**0.59**	**142**	**23,575**	**0.23**	**53**

Notes: Renison Bell, Mt Bischoff and Rentails Reserves are 50% owned by Metals X.

TIN DIVISION (CONTINUED)

MINERAL RESOURCES ESTIMATES – ANNUAL COMPARISON

Project	Tin			Copper		
	Tonnes (kt)	Grade (%Sn)	Sn Metal (kt)	Tonnes (kt)	Grade (%Cu)	Cu Metal (kt)
30 June 2012						
Renison Bell	9,685	1.58	154	7,156	0.36	26
Mt Bischoff	1,667	0.54	9	-	-	-
Rentails	19,999	0.45	90	19,999	0.21	42
Collingwood	702	1.49	10	-	-	-
Total Mineral Resource 2012	**32,053**	**0.81**	**263**	**27,155**	**0.25**	**68**
Mining Depletion						
Renison Bell	(600)	1.55	(9)	(600)	0.40	(2)
Mt Bischoff	-	-	-	-	-	-
Rentails	-	-	-	-	-	-
Collingwood	-	-	-	-	-	-
	(600)	**1.55**	**(9)**	**(600)**	**0.40**	**(2)**
Resource Additions						
Renison Bell	974	1.20	11	974	0.10	1
Mt Bischoff	-	-	-	-	-	-
Rentails	599	0.53	3	599	0.30	2
Collingwood	-	-	-	-	-	-
	1,573	**0.94**	**14**	**1,573**	**0.18**	**3**
30 June 2013						
Renison Bell	10,059	1.55	156	7,530	0.34	25
Mt Bischoff	1,667	0.54	9	-	-	-
Rentails	20,598	0.45	93	20,598	0.21	44
Collingwood	702	1.49	10	-	-	-
Total Mineral Resource 2013	**33,026**	**0.81**	**268**	**28,128**	**0.25**	**69**

Notes: Renison Bell, Mt Bischoff and Rentails Reserves are 50% owned by Metals X.
Refer to the Metals X Limited ASX announcement dated 22 July 2013 for detailed information relating to the Mineral Resources Estimates.
The geographical area for Tin Resources is Australia.

TIN DIVISION (CONTINUED)

MINERAL RESERVES ESTIMATES – ANNUAL COMPARISON

Mining Reserves are a subset of the Mineral Resource Estimates

Project	Tin			Copper		
	Tonnes (kt)	Grade (%Sn)	Sn Metal (kt)	Tonnes (kt)	Grade (%Cu)	Cu Metal (kt)
30 June 2012						
Renison Bell	3,342	1.37	46	2,974	0.27	8
Rentails	19,158	0.45	85	19,158	0.21	40
Total Mining Reserve 2012	**22,500**	**0.58**	**131**	**22,132**	**0.22**	**48**
Mining Depletion						
Renison Bell	(600)	1.55	(9)	(600)	0.40	(2)
Rentails	-	-	-	-	-	-
Subtotal	**(600)**	**1.55**	**(9)**	**(600)**	**0.40**	**(2)**
Reserve Additions						
Renison Bell	1,395	1.20	17	1,444	0.38	5
Rentails	599	0.53	3	599	0.30	2
Subtotal	**1,994**	**1.00**	**20**	**2,043**	**0.35**	**7**
30 June 2013						
Renison Bell	4,137	1.28	53	3,818	0.30	11
Rentails	19,757	0.45	89	19,757	0.21	42
Total Mining Reserve 2013	**23,894**	**0.59**	**142**	**23,575**	**0.23**	**53**

Notes: Renison Bell, Mount Bischoff and Rentails Reserves are 50% owned by Metals X.
Refer to the Metals X Limited ASX announcement dated 22 July 2013 for detailed information relating to the Mineral Resources Estimates.
The geographical area for Tin Reserves is Australia.

TIN DIVISION (CONTINUED)

Competent Persons Statement

The information in this report that relates to Mineral Resources compiled by Metals X technical employees under the supervision of Mr Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full-time employee of the company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement

The information in this Ore Reserve estimate report is compiled by Metals X technical employees under the supervision of Mr Michael Poepjes BEng (Mining Engineering), MSc (Min. Econ) M.AusIMM. Mr Poepjes is a full-time employee of the company. Mr Poepjes has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Poepjes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Statement of Governance Arrangements and Internal Controls

Governance of Metals X's mineral resources and ore reserves development and management activities is a key responsibility of the Executive Management of the Company.

The Group Chief Geologist and Chief Mining Engineer of Metals X oversee reviews and technical evaluations of the estimates and evaluate these with reference to actual physical and cost and performance measures. The evaluation process also draws upon internal skill sets in operational and project management, ore processing and commercial/financial areas of the business.

The Group Chief Geologist is responsible for monitoring the planning, prioritisation and progress of exploratory and resource definition drilling programs across the company and the estimation and reporting of resources and reserves. These definition activities are conducted within a framework of quality assurance and quality control protocols covering aspects including drill hole siting, sample collection, sample preparation and analysis as well as sample and data security.

A three-level compliance process guides the control and assurance activities:

1. Provision of internal policies, standards, procedures and guidelines;
2. Resources and reserves reporting based on well-founded assumptions and compliance with external standards such as the Australasian Joint Ore Reserves Committee (JORC) Codes;
3. Internal assessment of compliance and data veracity.

The objectives of the estimation process are to promote the maximum conversion of identified mineralisation into JORC compliant Mineral Resources and Ore Reserves.

Metals X reports its mineral resources and ore reserves on an annual basis, in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC code) 2004 Edition and the 2012 Edition, which has been applied to the Tin Division.

Mineral resources are quoted inclusive of ore reserves. Competent Persons named by Metals X are members of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and qualify as Competent Persons as defined in the JORC Code.

GOLD DIVISION

MINERAL RESOURCES ESTIMATES – CONSOLIDATED SUMMARY

(Calculated as at 30 June 2013)

TENNANT CREEK –ROVER 1 PROJECT

JORC Category	Gold			Copper			Bismuth			Cobalt		
	kt	Grade	koz Metal	kt	Grade	kt Metal	kt	Grade	kt Metal	kt	Grade	kt Metal
Measured	-	-	-	-	-	-	-	-	-	-	-	-
Indicated	2,741	2.42	213	2,741	1.42%	59	2,741	0.18%	5	2,741	0.04%	1
Inferred	4,073	1.27	168	4,073	1.06%	52	4,073	0.11%	4	4,073	0.08%	3
Total	**6,814**	**1.73**	**381**	**6,814**	**1.20%**	**112**	**6,814**	**0.14%**	**9**	**6,814**	**0.06%**	**4**

Note: 2.5 g/t Au equivalent cut-off.

TENNANT CREEK –EXPLORER 108 PROJECT

JORC Category	Zinc			Lead			Silver		
	kt	Grade	kt Metal	kt	Grade	kt Metal	kt	Grade	koz Metal
Measured	-	-	-	-	-	-	-	-	-
Indicated	8,438	3.41%	287	8,438	2.05%	172	8,438	14.3	3,879
Inferred	3,429	2.81%	96	3,429	1.88%	64	3,429	3.3	364
Total	**11,868**	**3.24%**	**384**	**11,868**	**2.00%**	**237**	**11,868**	**11.14**	**4,243**

Note: 2.5% Pb + Zn cut-off.

CENTRAL MURCHISON GOLD PROJECT

JORC Category	Gold		
	kt	Grade	koz Metal
Measured	110	1.39	5
Indicated	41,338	2.54	3,373
Inferred	21,420	2.38	1,636
Total	**62,868**	**2.48**	**5,014**

Note: Cut-off grades: 0.70 g/t for surface resources and 1.50 g/t for underground resources.

MINING RESERVES ESTIMATE – CONSOLIDATED SUMMARY

Mining Reserves are a subset of the Mineral Resource Estimate

(Calculated as at 30 June 2013)

CENTRAL MURCHISON GOLD PROJECT

JORC Category	Gold		
	kt	Grade	koz Metal
Proved	-	-	-
Probable	15,458	2.36	1,174
Total	**15,458**	**2.36**	**1,174**

Note: Cut-off grades: 0.70 g/t for surface resources and 1.50 g/t for underground resources.

NICKEL DIVISION

MINERAL RESOURCES ESTIMATES – CONSOLIDATED SUMMARY

(Calculated as at 30 June 2013)

JORC		Nickel			Cobalt			Fe_2O_3	
Category	kt	Grade	kt Metal	kt	Grade	kt Metal	kt	Grade	kt Metal
Wingellina Project									
Measured	68,800	1.00%	688	68,800	0.08%	54	68,800	48.7%	33,500
Indicated	98,700	0.97%	958	98,700	0.08%	74	98,700	46.4%	45,800
Inferred	15,700	0.97%	152	15,700	0.07%	11	15,700	42.7%	6,700
Subtotal	**183,200**	**0.98%**	**1,798**	**183,200**	**0.08%**	**139**	**183,200**	**47.0%**	**86,000**
Claude Hills Prospect									
Inferred	33,300	0.81%	270	33,300	0.07%	23	33,300	38.7%	12,900
Total	**216,500**	**0.95%**	**2,067**	**216,500**	**0.07%**	**161**	**216,500**	**45.7%**	**98,900**

MINING RESERVES ESTIMATE – CONSOLIDATED SUMMARY

Mining Reserves are a subset of the Mineral Resource Estimate

JORC		Nickel			Cobalt			Fe_2O_3	
Category	kt	Grade	kt Metal	kt	Grade	kt Metal	kt	Grade	kt Metal
Wingellina Project									
Proved	-	-	-	-	-	-	-	-	-
Probable	167,500	0.98%	1,645	167,500	0.08%	128	167,500	47.3%	79,300
Total	**167,500**	**0.98%**	**1,645**	**167,500**	**0.08%**	**128**	**167,500**	**47.3%**	**79,300**

Competent Persons Statements

The information in this report that relates to Mineral Resources compiled by Metals X technical employees under the supervision of Mr. Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full-time employee of the company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this Ore Reserve estimate report is compiled by Metals X technical employees under the supervision of Mr Michael Poepjes BEng (Mining Engineering), MSc (Min. Econ) M.AusIMM. Mr Poepjes is a full-time employee of the company. Mr Poepjes has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Poepjes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Peter Cook BSc (App. Geol.), MSc (Min. Econ.) MAusIMM 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 2004 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cook is 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.

DIRECTORS' REPORT

The Directors submit their report together with the financial report of Metals X Limited ("Metals X" or "the Company") and of the Consolidated Entity, being the Company and its controlled entities, for the year ended 30 June 2013.

DIRECTORS

The names and details of the Company's Directors in office during the financial period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Peter Newton – Non-Executive Chairman (Appointed – 14 December 2012)
Mr Newton was a stockbroker for 25 years until 1994. Since then he has been a significant participant in the Australian resource industry as an investor and a director of a number of listed companies. In recent years he has been the Chairman of both Hill 50 Limited and Abelle Limited. Mr Newton is also the Chairman of the Company's Remuneration Committee.

Mr Newton has held no public company directorships in the past three years.

Peter Cook – Chief Executive Officer and Executive Director
Mr Cook is a Geologist (BSc (Applied Geology)) and a Mineral Economist (MSc (Min. Econ), MAusIMM). In recent years he has been the Managing Director of Hill 50 Limited, the Chief Executive Officer of Harmony Gold Australia Pty Ltd, Managing Director of Abelle Limited and Chairman of both Metals Exploration Limited and Aragon Resources Limited. He has considerable experience in the fields of exploration and project and corporate management of mining companies.

During the past three years he has served as a director of the following public listed companies:

- Westgold Resources Limited* (Appointed 19 March 2007);
- Aragon Resources Limited* (Appointed 18 May 2007);
- Pacific Niugini Limited* (Appointed 31 August 2009);
- Kingsrose Mining Limited (Appointed 10 October 2010 – Resigned 21 August 2012);
- Aziana Limited* (Appointed 30 May 2011); and
- Mongolian Resource Corporation Limited* (Appointed 4 June 2013).

Warren Hallam - Executive Director
Mr Hallam is a Metallurgist (B. App Sci (Metallurgy)) and a Mineral Economist (MSc (Min. Econ)) and holds a Graduate Diploma in finance. He has considerable technical and commercial experience within the resources industry. In recent times he was the Managing Director of Metals Exploration Limited.

During the past three years he has served as a director of the following public listed companies:

- Westgold Resources Limited* (Appointed 18 March 2010); and
- Aziana Limited* (Appointed 30 May 2011).

Scott Huffadine – Executive Director (Resigned - 29 March 2013)
Mr Huffadine is a geologist (BSc (Hons)) with over 20 years' experience in the resources industry, specifically in mining project management and geology. He was the Managing Director of Westgold Resources Limited from June 2011 to October 2012. During the period June 2007 to June 2011 he was the Chief Operating Officer and an Executive Director of Metals X. Prior to joining Metals X, he was employed by Harmony Gold Australia Pty Ltd as the General Manager of the Hill 50 Gold project for four years which included the assets that encompass the current Central Murchison Gold Project. He has also held a number of previous roles including with Hill 50 Gold NL, WMC Resources Limited and Dominion Mining Ltd.

During the past three years he has served as a director of the following public listed company:

- Westgold Resources Limited (Appointed 1 June 2011 – Resigned 29 March 2013).

Dean Will – Executive Director (Resigned – 14 December 2012)
Mr Will is a Mining Engineer (BEng) with a Master's degree in Business Administration. Mr Will has over 26 years' experience and has numerous senior and executive roles across a diversity of companies. For the past nine years he has been the Chief Mining Engineer with Mincor Resources NL where he has been responsible for mining engineering, project evaluations, business development, evaluations and contract management and successfully played a key role in Mincor's nickel expansion strategy.

Mr Will has held no public company directorships in the past three years.

Xie Penggen– Non-Executive Director
Mr Penggen is a Minerals Processing Engineer with over 24 years of experience in the mining industry. Mr Penggen commenced his career within the Jinchuan Group where he has undertaken various operational, technical and management roles. He is currently an executive in Jinchuan's global investment group which is responsible for the Group's international investments.

Mr Penggen has held no public company directorships in the past three years.

Yimin Zhang – Alternate Non-Executive Director
Mr Zhang joined the Board to act as an alternate director for Mr Penggen. Mr Zhang is the Chief Representative for Jinchuan Australia and is also an Executive Director of Sino Nickel Pty Limited. Mr Zhang has worked for Jinchuan since 1981 and has been posted to several overseas positions to which he has been involved in numerous Jinchuan co-operative ventures. Mr Zhang was also recently a Director of Albidon Limited. Mr Zhang holds a Diploma from the Metallurgical and Architectural Institute of Chung Chan.

During the past three years he has served as a director of the following public listed company:

- Albidon Limited (Appointed 9 September 2009 – Resigned 2 August 2013).

Andrew Ferguson - Non-Executive Director
Mr Ferguson is an Executive Director and the Chief Executive Officer of APAC Resources Limited. Mr Ferguson holds a Bachelor of Science Degree in Natural Resource Development and worked as a mining engineer in Western Australia in the mid 1990's. In 2003, Mr Ferguson co-founded New City Investment Managers in the United Kingdom. He has a proven track record in fund management and was the former co-fund manager of City Natural Resources High Yield Trust, which was awarded 'Best UK Investment Trust' in 2006. In addition, he managed New City High Yield Trust Ltd and Geiger Counter Ltd. He worked as Chief Investment Officer for New City Investment Managers CQS Hong Kong, a financial institution providing investment management services to a variety of investors. He has 14 years of experience in the finance industry specialising in global natural resources. Mr Ferguson also serves on the Company's Audit and Remuneration Committees.

During the past three years he has served as a director of the following public listed company:

- ABM Resources Limited* (Appointed 9 July 2012).

Simon Heggen - Non-Executive Director (Appointed - 25 October 2012)
Mr Heggen holds a Bachelor of Economics and Bachelor of Laws Degrees from the Australian National University and worked in Investment Banking during the late 1980's and early 1990's before joining Wesfarmers' Business Development team in Perth. In 1995 he returned to Melbourne to join WMC Resources Limited in a senior corporate development role. In that position he worked on many of the transactions and development projects undertaken by the company up to and including the BHP Billiton takeover. Following that, he worked for the Cement Division of Boral Limited in Sydney as General Manager, Business Development & Strategic Planning. He then worked in stockbroking and as a consultant to the Resources sector before becoming Managing Director of a listed exploration company. Mr Heggen has around 28 years' proven experience in strategic planning, corporate development, M&A and corporate finance within the Resources sector. Mr Heggen is Chairman of the Company's Audit Committee and also serves on the Remuneration Committee.

During the past three years he has served as a director of the following public listed company:

- Resource Star Limited (Appointed 9 July 2012 – Resigned 5 April 2013).

Paul Cmrlec - Non-Executive Director (Appointed - 23 July 2013)
Mr Cmrlec holds a Bachelor of Mining Engineering degree from the University of South Australia. He has extensive experience in feasibility studies and project development and has held a number of operational and planning roles, including the position of Underground Manager at several Western Australian gold Mines. Mr Cmrlec is currently the Managing Director of Pacific Niugini Limited. He was previously a Non-Executive Director of Westgold Resources Limited, the Group Underground Mining Engineer for Harmony Gold Australia Pty Ltd and the Group Mining Engineer for Metals X. In addition to operational mining roles, Mr Cmrlec's recent experience includes the general management of major feasibility studies for the Wafi Copper-Gold deposit in Papua New Guinea, and the Wingellina Nickel-Cobalt deposit in the Central Musgrave region of Western Australia.

During the past three years he has served as a director of the following public listed companies:

- Pacific Niugini Limited* (Appointed 3 June 2010).
- Westgold Resources Limited (Appointed 18 March 2010 – Resigned 31 May 2011).

* Denotes current directorship.

INTERESTS IN THE SHARES OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and options of Metals X Limited were:

Director	Fully Paid Ordinary Shares	Options expiring on 30 November 2013 exercisable at $0.13	Options expiring on 30 November 2014 exercisable at $0.30
PM Cmrlec	157,850	750,000	-
PG Cook	70,316,705	-	-
AC Ferguson	-	-	-
WS Hallam	6,350,000	-	1,250,000
S D Heggen	20,000	-	-
P J Newton	54,100,000	-	-
X Penggen [1]	176,000,000	-	-
Y Zhang (Alt Director)	-	-	-
Total	**306,786,705**	**750,000**	**1,250,000**

(1) X Penggen is a director of Jinchuan Group Limited which holds 176,000,000 fully paid ordinary shares in the Company.

COMPANY SECRETARY

Fiona Van Maanen - Chief Financial Officer and Company Secretary

Mrs Van Maanen is a CPA, holds a Bachelor of Business (Accounting) degree and a Graduate Diploma in Company Secretarial Practice. She has a number of years of accounting and financial management experience in the mining and resources industry and has been with the Company since incorporation.

DIVIDENDS

No dividends have been paid or declared by the Company during the financial period or up to the date of this report.

Refer to note 10 for available franking credits.

PRINCIPAL ACTIVITIES

The principal activities during the year of the Consolidated Entity were:

- exploration for and the mining, processing, production and marketing of tin concentrate in Australia;
- exploration and development of nickel projects in Australia; and
- exploration and development of precious and base metals projects in Australia.

There have been no significant changes in the nature of these activities during the year.

EMPLOYEES

The Consolidated Entity employed 104 employees at 30 June 2013 (2012: 89).

OPERATING AND FINANCIAL REVIEW

A full review of the operations of the Consolidated Entity during the year ended 30 June 2013 is included on pages 6 to 23.

OPERATING RESULTS

The Consolidated Entity's net profit after income tax for the period was $8,672,314 (2012: $43,717,642 loss), an increase of 120% as compared to the previous financial year.

The results reflect:

- A profit on the sale of Independence Group NL ("Independence") investment of $6,022,731.
- Tin sales revenue for the year from the Renison Tin Project (50% owned) was 28% higher compared with the 2012 year. This is mainly due to an increase in tin production from higher grade areas in the mine that are now being accessed.
- Impairment losses on "available-for-sale financial assets" of $6,608,070 (2012: $24,490,872) as a result of a decline in the share price of MRC and Reed (2012: MRC $2,191,731 and Independence $22,299,141).
- Reversal of impairment loss on "investment in associate" of $2,905,137 due to an increase in the share price of Westgold Resources Limited ("Westgold"). Impairment loss on "investment in associate" of $1,834,473 due to a decline in the share price of Aziana.
- Recognition of an income tax benefit of $10,631,770 associated with the acquisition of subsidiary Westgold.

REVIEW OF FINANCIAL CONDITION

Liquidity and Capital Resources

The consolidated statement of cash flows illustrates that there was an increase in cash and cash equivalents in the year ended 30 June 2013 of $18,431,760 (2012: $33,011,974 decrease). The increase in cash inflow in comparison with the prior year was due to the factors detailed below.

There has been an increase in the amount of cash generated from operating activities to $9,920,956 (2012: $5,942,682), which is largely due to an increase in production at the Renison Tin Project.

There has been an increase in the amount of cash from investing activities to $10,514,536 (2012: $25,835,981 outflow), which was mainly attributable to the sale of the Independence investment for $28,649,801, which was offset by cash reinvestment at the Renison Tin Project and the acquisition of securities in Reed. Cash outflows in the previous year were mainly due to the cash reinvestment at the Renison Tin Project and the acquisition of securities in Aziana, Westgold and Reed.

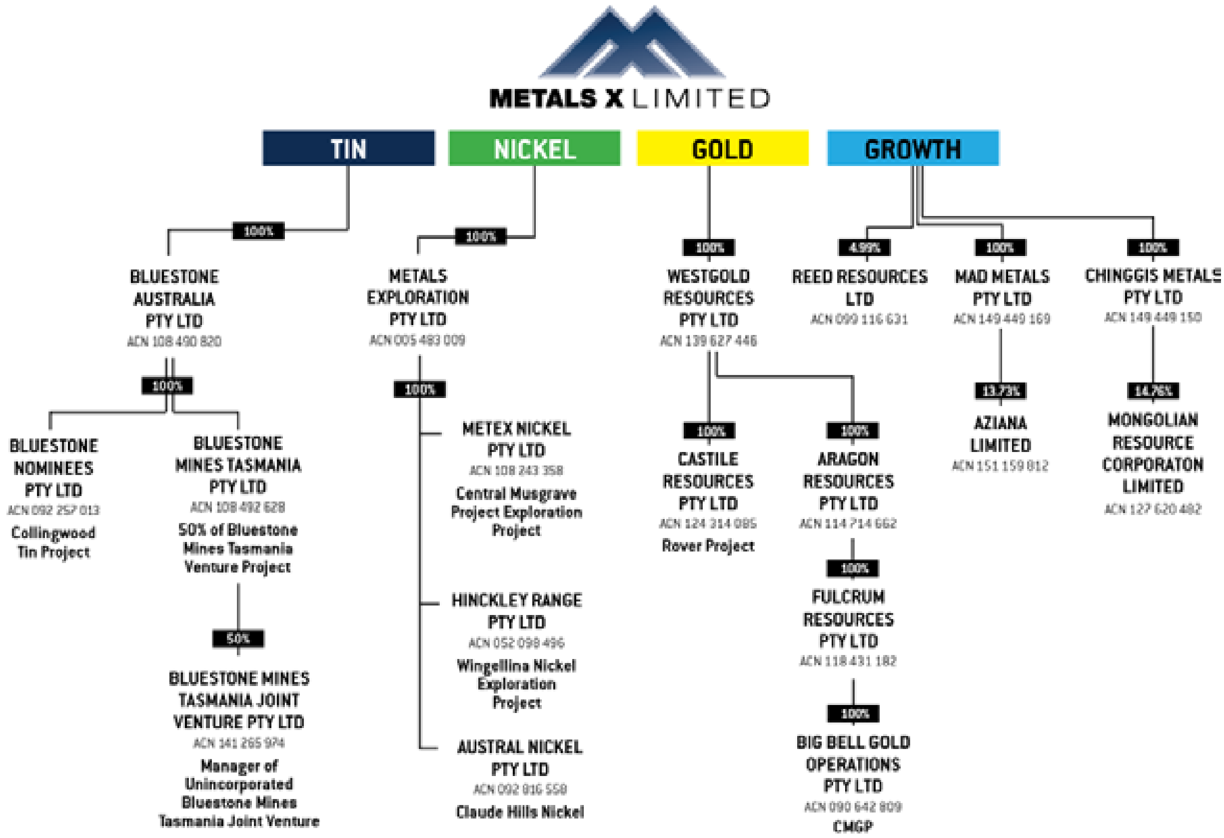
Financing activities resulted in $1,953,732 (2012: $13,118,675) of net cash outflows. This is mainly due to repayment of finance lease liabilities. Cash outflows in the previous year were mainly due to the on-market share buy-back of 48,998,525 shares for an amount of $10,932,265.

The Consolidated Entity's debt has decreased by $4,262,449 (2012: $3,291,433 increase) to $187,813 (2012: $4,450,262) over the last year due to repayment of the finance lease over the mining fleet at the Renison Tin Project. Of the Consolidated Entity's debt, 36% ($67,900) is repayable within one year of 30 June 2013, compared to 34% ($1,507,448) in the previous year.

Capital Expenditure

There has been a decrease in cash used to purchase property, plant and equipment in 2013 to $2,130,901 from $2,525,291 in 2012. Capital commitments of $454,301 existed at the reporting date, principally relating to the purchase of plant and equipment for the Renison Tin Project.

CORPORATE INFORMATION



SHARE ISSUES DURING THE YEAR

Share Placements

There were no share placements during the financial year.

Share Buy-Back

In the previous year the Company completed an on-market buy-back of its issued capital by acquiring 48,998,525 shares for a total value of $10,932,265 at an average price of $0.22 per share.

Option Conversions

No options were converted during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Total equity increased to $273,770,363 from $212,823,758 an increase of $60,952,852. The movement was largely as a result of the acquisition of Westgold.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 14 August 2013 Metals X finalised the acquisition of Rio Tinto Exploration Pty Ltd's interests in the Mt Davies tenement EL 5184 for $500,000 and 870,000 shares in Metals X. The tenement was previously subject to a farm-in agreement in which Metals X was earning a 51% interest. The acquisition consolidates Metals X's ownership of the Wingellina layered intrusive complex in the Central Musgrave Ranges.

On 4 September 2013 Metals X announced that following a substantial campaign of drilling and associated resource development work, the Total Mineral Resource at the Renison Tin Project has been significantly upgraded. The Total Mineral Resource of tin metal at the Renison Tin Project has increased by 31% to 11.6Mt at 1.76% Sn, containing approximately 204,000 tonnes of tin metal.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

It is expected that the Consolidated Entity will continue its exploration, mining, processing, production and marketing of tin concentrate in Australia, and will continue its exploration and development of its nickel and gold projects. These are described in more detail in the Operations Review section.

Further information regarding likely developments in the operations of the Consolidated Entity and the expected results from those operations in future financial years has not been included in this report because, in the opinion of your directors, its disclosure would prejudice the interests of the Consolidated Entity.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity's activities are subject to the relevant environmental protection legislation (Commonwealth and State legislation) at its projects. The Consolidated Entity believes that sound environmental practice is not only a management obligation but the responsibility of every employee and contractor.

During the period our achievements in the environmental area included:

- continued focus on environmental management; and
- continuous review and improvement of our environmental management systems across all projects.

No fines were imposed and no prosecutions were instituted by a regulatory body during the period.

SHARE OPTIONS

Unissued shares

As at the date of this report, there were 37,040,000 unissued ordinary shares under option (37,090,000 at reporting date), refer to note 27(e).

On 17 October 2012 the Company issued 32,615,000 options at varying exercise prices and expiry dates to Westgold option holders pursuant to the merger by scheme of arrangement, refer to note 37 for further details.

There are no participating rights or entitlements inherent in the options and option holders are not entitled to participate in new issues of capital or bonus issues offered or made to shareholders during the currency of the options.

Shares issued as a result of exercising options

No options were exercised during the financial year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium in respect to a contract of insurance to insure Directors and officers of the Company and related bodies corporate against those liabilities for which insurance is permitted under section 199B of the Corporations Act 2001. Disclosure of the nature of the liabilities and the amount of the premium is prohibited under the conditions of the contract of insurance.

DIRECTORS' MEETINGS

The number of meetings of Directors' (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	Directors Meetings	Audit	Remuneration
No of meetings held:	10	2	2
No of meetings attended:			
PG Cook	10	1	-
AC Ferguson	10	2	2
WS Hallam	10	-	-
SD Heggen	8	1	2
SJ Huffadine	7	-	-
PJ Newton	6	-	2
DP Will	4	-	-
X Penggen	1	-	-
Y Zhang (Alt Director)	10	-	-

All Directors were eligible to attend all Director's meetings held, except for:

- SD Heggen – eligible to attend 8 meetings;
- SJ Huffadine – eligible to attend 7 meetings;
- PJ Newton – eligible to attend 6 meetings; and
- DP Will – eligible to attend 4 meetings.

COMMITTEE MEMBERSHIP

As at the date of this report, the Company had an Audit Committee and a Remuneration Committee of the Board of Directors.

Members acting on the committees of the Board during the year were:

Audit	**Remuneration**
SD Heggen *	PJ Newton *
AC Ferguson	SD Heggen
FJ Van Maanen **	AC Ferguson

Notes:

* Designates the Chairman of the Committee.

** FJ Van Maanen is the Company Secretary and is not a Director.

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2013 outlines the remuneration arrangements of the Consolidated Entity in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Non-executive Director remuneration arrangements
4. Executive remuneration arrangements
5. Company performance and the link to remuneration
6. Executive contractual arrangements
7. Additional statutory disclosures

1. INTRODUCTION

The remuneration report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity.

For the purposes of this remuneration report, the term 'executive' includes the Chief Executive Officer ("CEO"), executive directors, senior executives, general managers and secretary of the Consolidated Entity.

Details of KMP of the Consolidated Entity are set out below:

Name	Position	Appointed	Resigned
(i) Non-Executive Directors			
PJ Newton	Non-Executive Chairman	14 December 2012	-
PM Cmrlec	Non-Executive Director	23 July 2013	-
AC Ferguson	Non-Executive Director	10 May 2012	-
SD Heggen	Non-Executive Director	25 October 2012	-
X Penggen	Non-Executive Director	9 February 2012	-
Y Zhang	Alternate for Mr Xie Penggen	3 October 2007	-
(ii) Executive Directors			
PG Cook	CEO & Executive Director	23 July 2004	-
WS Hallam	Executive Director	1 March 2005	-
SJ Huffadine	Executive Director	18 October 2012	30 April 2013
DP Will	Executive Director	12 July 2011	14 December 2012
(iii) Other Executives (KMPs)			
RD Cook	General Manager - Renison	22 April 2010	-
PD Hucker	Chief Operating Officer	17 October 2012	-
MP Poepjes	Chief Mining Engineer	8 August 2011	-
JW Russell	Group Chief Geologist	17 October 2012	-
FJ Van Maanen	CFO & Company Secretary	1 July 2005	-

There are no other changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

2. REMUNERATION GOVERNANCE

Remuneration Committee

The Remuneration Committee comprises three Non-Executive Directors.

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration arrangements for non-executive directors and executives.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of non-executive directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high performing director and executive team.

Remuneration approval process

The Board approves the remuneration arrangements of the CEO and executives and all awards made under the long-term incentive plan, following recommendations from the remuneration committee. The Board also sets the aggregate remuneration of non-executive directors which is then subject to shareholder approval.

The remuneration committee approves, having regard to the recommendations made by the CEO, the level of the Consolidated Entity's short-term incentive pool.

Remuneration Strategy

The Company's remuneration strategy is designed to attract, motivate and retain employees and non-executive directors by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Consolidated Entity.

To this end, the company embodies the following principles in its remuneration framework:

- retention and motivation of key executives;
- attraction of quality management to the Company; and
- performance incentives which allow executives to share the rewards of the success of the Company.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and senior executive remuneration is separate and distinct.

Remuneration report at FY12 AGM

The FY12 remuneration report received positive shareholder support at the FY12 AGM with a vote of 99% in favour.

3. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

Remuneration Policy

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to non-executive directors of comparable companies. The Board considers advice from external consultants as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process.

The Company's constitution and the ASX listing rules specify that the non-executive director fee pool shall be determined from time to time by a general meeting. The last determination was at the annual general meeting held on 23 November 2012 when shareholders approved an aggregate fee pool of $300,000 per year.

3. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS (CONTINUED)

Structure

The remuneration of non-executive directors consists of director's fees. Non-executives are entitled to receive retirement benefits and to participate in any incentive programs. There are currently no specific incentive programs.

The non-executive Chairman receives a base fee of $85,000 and each other non-executive director receives a base fee of $60,000 for being a director of the Consolidated Entity. There are no additional fees for serving on any board committees.

A company associated with Mr Cook provided consulting services at $250 per hour for each hour worked on behalf of the Company up until 31 December 2012 when Mr Cook's role changed from a non-executive to and executive director. These fees were exclusive of non-executive director's fees and compensated Mr Cook for additional time spent on services outside of his usual non-executive director duties.

Non-executive directors have long been encouraged by the Board to hold shares in the Company and align their interests with the Company's shareholders. The shares are purchased by the directors at the prevailing market share price.

The remuneration report for the non-executive directors for the year ending 30 June 2013 and 30 June 2012 is detailed in Table 1 and Table 2 respectively of this report.

4. EXECUTIVE REMUNERATION ARRANGEMENTS

Remuneration Policy

The Company's executive remuneration strategy is designed to attract, motivate and retain high performing individuals and align the interests of executives and shareholders.

No KMP appointed during the period received a payment as part of their consideration for agreeing to hold the position.

Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as needed to provide independent advice.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary and superannuation); and
- Variable remuneration (share options and cash bonus).

The proportion of fixed remuneration and variable remuneration for each executive for the period ending 30 June 2013 and 30 June 2012 are set out in Table 1 and Table 2.

Fixed Remuneration

Executive contracts of employment do not include any guaranteed base pay increase. Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of the Company, business unit and individual performance, relevant comparative remuneration internally and externally and, where appropriate, external advice independent of management.

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

The fixed remuneration component for executives for the period ending 30 June 2013 and 30 June 2012 are set out in Table 1 and Table 2.

Variable Remuneration

Short Term Incentive ("STI") – cash bonus

The objective of the STI is to link the increase in shareholder value over the year with the remuneration received by the executives charged with achieving that increase. The total potential STI cash bonus available is set at a level so as to provide sufficient incentive to the executives to achieve the performance goals and such that the cost to the Consolidated Entity is reasonable in the circumstances.

Annual STI payments granted to each executive depends on their performance over the preceding year and are based on recommendations from the CEO following collaboration with the Board. Typically included are measures such as contribution to strategic initiatives, risk management and leadership/team contribution.

The aggregate of annual STI payments available for executives across the Consolidated Entity is subject to the approval of the Board.

Long Term Incentive ("LTI") – Share options

The objective of the LTI plan is to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. As such LTI's are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Consolidated Entity's performance.

LTI awards to executives are made under the Metals X Limited Long Term Incentive Plan and are delivered in the form of shares options. The number of options issued is determined by the policy set by the Remuneration Committee and is based on each executive's role and position with the Consolidated Entity.

The share options will vest after one year or as determined by the Board of Directors and Executives are able to exercise the share options for up to three years after vesting before the options lapse. Where a participant ceases employment prior to the vesting of their share options, the share options are forfeited. Where a participant ceases employment after the vesting of their share options, the share options automatically lapse after six months of ceasing employment.

Table 3 provides details of LTI options granted and the value of options granted, exercised and lapsed during the year.

Hedging of equity awards

The Company prohibits executives from entering into arrangements to protect the value of unvested LTI awards. The prohibition includes entering into contracts to hedge their exposure to options awarded as part of their remuneration package.

5. COMPANY PERFORMANCE AND THE LINK TO REMUNERATION

STI remuneration is linked to the performance of the Company. In the current financial year cash bonuses were awarded to executives based on the Company's performance in the preceding financial year.

LTI remuneration is not linked to the performance of the Company but rather on the ability to attract and retain executives of the highest calibre. The overall remuneration policy framework however is structured in an endeavour to advance/create shareholder wealth. The Metals X Limited Long Term Incentive Plan has no direct performance requirements but has specified time restrictions on the exercise of options. The granting of options is in substance a performance incentive which allows executives to share the rewards of the success of the Company.

	30 June 09	30 June 10	30 June 11	30 June 12	30 June 13
Closing share price	$0.11	$0.10	$0.26	$0.15	$0.10
Profit/(loss) per share (cents)	-4.82	0.92	4.48	-3.31	0.56
Net tangible assets per share	$0.15	$0.15	$0.19	$0.16	$0.17
Total Shareholder Return	-73%	-13%	166%	-43%	-32%

6. EXECUTIVE CONTRACTUAL ARRANGEMENTS

Remuneration arrangements for KMP are formalised in employment agreements. Details of these contracts are provided below:

Chief Executive Officer

The CEO, Mr Cook is employed under an annual salary employment contract. The current employment contract commenced on 1 January 2013. Under the terms of the present contract:

- Mr Cook receives a fixed remuneration of $545,000 (including superannuation) per annum.
- Mr Cook may resign from his position and thus terminate this contract by giving three months written notice. On resignation any unvested options will be forfeited.
- The Company may terminate this employment agreement by providing three months written notice or providing payment in lieu of notice period (based on the fixed component of Mr Cook's remuneration). On termination on notice by the Company, any LTI options that have vested or that will vest during the notice period will be released. LTI options that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the CEO is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company, any LTI options that have vested will be released. LTI options that have not yet vested will be forfeited.

Other executive directors

Mr Hallam is employed under an annual salary employment contract and receives a fixed remuneration of $457,800 (including superannuation) per annum.

Mr Will was employed under an annual salary employment contract and received a fixed remuneration of $348,800 (including superannuation) per annum.

Mr Huffadine was employed under an annual salary employment contract and received a fixed remuneration of $457,800 (including superannuation) per annum.

The other terms of the Executive Directors employment contracts are:

- Executive Directors may resign from their position and thus terminate their contract by giving three months written notice. On resignation any unvested options will be forfeited.
- The Company may terminate the employment agreement by providing three months written notice or providing payment in lieu of notice period (based on the fixed component of the executive director's remuneration). On termination on notice by the Company, any LTI options that have vested or that will vest during the notice period will be released. LTI options that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the executive director is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company, any LTI options that have vested will be released. LTI options that have not yet vested will be forfeited.

Other KMP

All other executives have standard employment contracts. The other terms of the employment contracts are:

- Executives may resign from their position and thus terminate their contract by giving one month written notice. On resignation any unvested options will be forfeited.
- The Company may terminate the employment agreement by providing one month written notice or providing payment in lieu of notice period (based on the fixed component of the executive's remuneration). On termination on notice by the Company, any LTI options that have vested or that will vest during the notice period will be released. LTI options that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause by the Company, any LTI options that have vested will be released. LTI options that have not yet vested will be forfeited.

6. EXECUTIVE CONTRACTUAL ARRANGEMENTS (CONTINUED)

Remuneration of key management personnel of the Consolidated Entity

Table 1: Remuneration for the year ended 30 June 2013

	Short Term			Post employment	Long term benefits	Share-based Payment			
	Salary and Fees	**Cash Bonus**	**Non monetary benefits**	**Superannuation**	**Long service leave**	**Options**	**Total**	**% Performance related**	**% of remuneration that consists of options**
Non-executive Directors									
PJ Newton	46,400	-	-	4,176	-	-	50,576	-	-
AC Ferguson	60,000	-	-	-	-	-	60,000	-	-
SD Heggen	41,129	-	-	3,702	-	-	44,831	-	-
X Penggen	-	-	-	-	-	-	-	-	-
Y Zhang (Alt Director)	-	-	-	-	-	-	-	-	-
	147,529	**-**	**-**	**7,878**	**-**	**-**	**155,407**	**-**	**-**
Executive Directors									
PG Cook **	451,750	-	1,382	14,410	8,638	-	476,180	-	-
WS Hallam **	376,800	-	4,877	19,960	29,922	-	431,559	-	-
SJ Huffadine *	227,787	-	1,486	13,388	-	-	242,661		
DP Will *	370,893	-	4,747	21,600	-	-	397,240		
Other key management personnel									
RD Cook	153,287	-	-	13,482	2,891	-	169,660	-	-
PD Hucker	188,622	-	-	16,976	1,651	-	207,249	-	-
MP Poepjes	206,422	-	-	18,578	2,203	-	227,203		
JW Russell	212,500	-	-	19,125	2,449	-	234,074		
FJ Van Maanen ***	202,952	-	3,234	18,356	28,220	-	252,762	-	-
	2,391,013	**-**	**15,726**	**155,875**	**75,974**	**-**	**2,638,588**		
Totals	**2,538,542**	**-**	**15,726**	**163,753**	**75,974**	**-**	**2,793,995**		

* DP Will and SJ Huffadine resigned on 14 December 2012 and 30 April 2013 respectively.

** WS Hallam and PG Cook are Directors of Westgold and Aziana. During the period Westgold and Aziana paid Metals X for Directors fees associated with Westgold and Aziana.

*** FJ Van Maanen was the Company Secretary of Aziana. During the period Aziana paid Metals X for Company Secretarial fees associated with Aziana.

Table 2: Remuneration for the year ended 30 June 2012

	Short Term			Post employ-ment	Long term benefits	Share-based Payment	Total		
	Salary and Fees	Cash Bonus	Non monetary benefits	Superan-nuation	Long service leave	Options		% Perfor-mance related	% of remuner-ation that consists of options
Non-executive Directors									
PG Cook	214,025	-	-	6,750	-	-	220,775	-	-
AC Ferguson	6,411	-	-	-	-	-	6,411	-	-
ML Jefferies *	38,256	-	-	-	-	-	38,256	-	-
X Penggen	-	-	-	-	-	-	-	-	-
S Zhang *	-	-	-	-	-	-	-	-	-
Y Zhang (Alt Director)	-	-	-	-	-	-	-	-	-
	258,692	**-**	**-**	**6,750**	**-**	**-**	**265,442**		
Executive Directors									
WS Hallam **	323,232	25,000	4,385	17,101	14,363	103,801	487,882	5.12	21.28
DP Will	304,236	-	4,875	25,000	1,635	103,801	-	-	23.62
Other key management personnel									
RD Cook	133,900	-	-	12,051	12,973	-	158,924	-	-
MP Poepjes	173,889	-	-	15,650	935	49,825	240,299	-	20.73
FJ Van Maanen ***	160,253	12,500	4,618	14,423	3,541	41,521	236,856	5.28	17.53
	1,095,510	**37,500**	**13,878**	**84,225**	**33,447**	**298,948**	**1,563,508**		
Totals	**1,354,202**	**37,500**	**13,878**	**90,975**	**33,447**	**298,948**	**1,828,950**		

* S Zhang and ML Jefferies resigned on 9 February 2012 and 10 May 2012 respectively.

** WS Hallam is a Director of Westgold and Aziana. During the period Westgold and Aziana paid Metals X for Directors fees associated with Westgold and Aziana.

*** FJ Van Maanen is the Company Secretary of Aziana. During the period Aziana paid Metals X for Company Secretarial fees associated with Aziana.

7. ADDITIONAL STATUTORY DISCLOSURES

This section sets out the additional disclosures required under the Corporations Act 2001.

The table below discloses the number of share options granted to executives as remuneration during the year as well as the number of options that vested or lapsed during the year.

Share options do not carry any voting rights and can be exercised once the vesting conditions have been met until their expiry date.

Table 3: Options awarded and vested during the year (Consolidated)

30 June 2013	Year	Options awarded during the year (No.)	Award Date	Fair value per option at award date ^ ($)	Vesting date	Exercise price per option	Expiry date	Options vested during the year (No.)	Options lapsed during the year (No.)
Executive Directors									
WS Hallam	2013	-	-	-	-	-	-	-	-
	2009	-	30/11/09	$0.05	30/11/09	$0.14	30/11/12	-	1,500,000
SJ Huffadine	2013	-	-	-	-	-	-	-	-
	2009	-	30/11/09	$0.05	30/11/09	$0.14	30/11/12	-	1,000,000

^ For details on valuation of the options, including models and assumptions used, please refer to note 30.

Table 4: Value of options awarded, exercised and lapsed during the year^

	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of share options for the year %
WS Hallam *	-	-	-	-
SJ Huffadine **	-	-	-	-

^ For details on valuation of the options, including models and assumptions used, please refer to note 30.

* During the period 1,500,000 options issued to Mr Hallam lapsed unexercised and were subsequently forfeited. The value of the options at the date of forfeiture was nil as the exercise price of the options were greater than the market value of the underlying shares.

** During the period 1,000,000 options issued to Mr Huffadine lapsed unexercised and were subsequently forfeited. The value of the options at the date of forfeiture was nil as the exercise price of the options were greater than the market value of the underlying shares.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

The maximum grant, which will be payable is equal to the number of options granted multiplied by the fair value at the grant date. The minimum grant payable if the options lapse is zero.

There were no shares issued on exercise of compensation options during the year.

End of Audited Remuneration Report.

AUDITOR'S INDEPENDENCE AND NON-AUDIT SERVICES

AUDITOR INDEPENDENCE

The Directors' received the Independence Declaration, as set out on page 42, from Ernst & Young.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, Ernst & Young. The directors are satisfied that the provision of non-audit is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services:

	$
Tax compliance services	116,041

Signed in accordance with a resolution of the Directors.

PG Cook

CEO & Executive Director

Perth, 6 September 2013

AUDITOR'S INDEPENDENCE DECLARATION

Ernst & Young
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Building a better working world

Auditor's Independence Declaration to the Directors of Metals X Limited

In relation to our audit of the financial report of Metals X Limited for the financial year ended 30 June 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

D S Lewsen
Partner
Perth
6 September 2013

DL:DR:METALS X:038

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Metals X Limited is responsible for the corporate governance of the Consolidated Entity. The Board guides and monitors the business and affairs of Metals X Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. This statement reports on Metals X Limited's key governance principles and practices.

1. COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS

The Company, as a listed entity, must comply with the Corporations Act 2001 and the Australian Securities Exchange (ASX) Listing Rules. The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Recommendations published by the ASX Corporate Governance Council (ASXCGC). Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

For further information on corporate governance policies adopted by the Company, refer to the corporate governance section of our website: www.metalsx.com.au

The table below summaries the Company's compliance with the Corporate Governance Council's Recommendations:

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 1	**Lay solid foundations for management and oversight**		
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	2(a)	Yes
1.2	Disclose the process for evaluating the performance of senior executives.	2(h), 3(b), Remuneration Report	Yes
1.3	Provide the information indicated in the Guide to reporting on principle 1.	2(a), 2(h), 3(b), Remuneration Report	Yes
Principle 2	**Structure the Board to add value**		
2.1	A majority of the board should be independent directors.	2(e)	No
2.2	The chair should be an independent director.	2(c), 2(e)	No
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	2(b), 2(c)	Yes
2.4	The board should establish a nomination committee.	2(d)	No
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors.	2(h)	Yes
2.6	Provide the information indicated in the Guide to reporting on principle 2.	2(b), 2(c), 2(d), 2(e), 2(h)	Yes
Principle 3	**Promote ethical and responsible decision-making**		
3.1	Establish a code of conduct and disclose the code or a summary as to:	6(a)	Yes
	• the practices necessary to maintain confidence in the company's integrity;		
	• the practices necessary to take into account the company's legal obligations and the reasonable expectations of its stakeholders; and		
	• the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.		
3.2	Establish a policy concerning diversity and disclose the policy or a summary. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	6(c)	Yes

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	6(c)	Yes
3.4	Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	6(c)	Yes
3.5	Provide the information indicated in the Guide to reporting on principle 3.	6(a), 6(c)	Yes
Principle 4	**Safeguard integrity in financial reporting**		
4.1	The board should establish an audit committee.	3(a)	Yes
4.2	The audit committee should be structured so that it:	3(a)	No
	• consists only of non-executive directors;		
	• consists of a majority of independent directors;		
	• is chaired by an independent chair, who is not chair of the board; and		
	• has at least three members.		
4.3	The audit committee should have a formal charter.	3(a)	Yes
4.4	Provide the information indicated in the Guide to reporting on principle 4.	3(a)	Yes
Principle 5	**Make timely and balanced disclosure**		
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	4(a), 4(b)	Yes
5.2	Provide the information indicated in the Guide to reporting on principle 5.	4(a), 4(b)	Yes
Principle 6	**Respect the rights of shareholders**		
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose the policy or a summary of that policy.	4(a), 4(b)	Yes
6.2	Provide the information indicated in the Guide to reporting on principle 6.	4(a), 4(b)	Yes
Principle 7	**Recognise and manage risk**		
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	5(a)	Yes
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	5(a), 5(b), 5(d)	Yes
7.3	The board should disclose whether it had received assurance from the chief executive officer and the chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	5(c)	Yes
7.4	Provide the information indicated in the Guide to reporting on principle 7.	5(a), 5(b), 5(c), 5(d)	Yes
Principle 8	**Remunerate fairly and responsibly**		
8.1	The board should establish a remuneration committee.	3(b)	Yes
8.2	The remuneration committee should be structured so that it:	3(b)	No
	• consists of a majority of independent directors;		
	• is chaired by an independent chair; and		
	• has at least three members.		
8.4	Provide the information indicated in the Guide to reporting on principle 8.	3(b)	Yes

2. THE BOARD OF DIRECTORS

2(A) ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is accountable to the shareholders and investors for the overall performance of the Company and takes responsibility for monitoring the Company's business and affairs and setting its strategic direction, establishing and overseeing the Company's financial position.

The Board is responsible for:

- Appointing, evaluating, rewarding and if necessary the removal of the Chief Executive Officer ("CEO") and senior management;
- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately.
- Approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted a Code of Conduct and that the Company practice is consistent with that Code; and other policies; and
- Reporting to and advising shareholders.

Other than as specifically reserved to the Board, responsibility for the day-to-day management of the Company's business activities is delegated to the CEO and Executive Management.

2. THE BOARD OF DIRECTORS (CONTINUED)

2(B) BOARD COMPOSITION

The Directors determine the composition of the Board employing the following principles:

- the Board, in accordance with the Company's constitution must comprise a minimum of three Directors;
- the roles of the Chairman of the Board and of the CEO should be exercised by different individuals;
- the majority of the Board should comprise Directors who are non-executive;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board must be structured in such a way that it has a proper understanding of, and competency in, the current and emerging issues facing the Company, and can effectively review management's decisions.

The Board is currently comprised of four non-executive Directors and two executive Directors. Details of the members of the Board, their experience, expertise, qualifications, terms of office and independent status are set out in the Directors' Report of the Annual Report under the heading "Directors".

The Company's constitution requires one-third of the Directors (or the next lowest whole number) to retire by rotation at each Annual General Meeting (AGM). The Directors to retire at each AGM are those who have been longest in office since their last election. Where Directors have served for equal periods, they may agree amongst themselves or determine by lot who will retire. A Director must retire in any event at the third AGM since he or she was last elected or re-elected. Retiring Directors may offer themselves for re-election.

A Director appointed as an additional or casual Director by the Board will hold office until the next AGM when they may be re-elected. The CEO is not subject to retirement by rotation and, along with any Director appointed as an additional or casual Director, is not to be taken into account in determining the number of Directors required to retire by rotation.

2(C) CHAIRMAN AND CEO

The Chairman is responsible for:

- leadership of the Board;
- the efficient organisation and conduct of the Board's functions;
- the promotion of constructive and respectful relations between Board members and between the Board and management;
- contributing to the briefing of Directors in relation to issues arising at Board meetings;
- facilitating the effective contribution of all Board members; and
- committing the time necessary to effectively discharge the role of the Chairman.

The Board does not comply with the ASX Recommendation 2.2 in that the Chairman, whilst a non-executive, is not an independent Director due to his substantial interest in the Company (refer to 2(e) Independent Directors). The Board has considered this matter and decided that the non-compliance does not affect the operation of the Company.

The CEO is responsible for:

- implementing the Company's strategies and policies; and
- the day-to-day management of the Consolidated Entity's business activities.

The Board specifies that the roles of the Chairman and the CEO are separate roles to be undertaken by separate people.

2(D) NOMINATION COMMITTEE

The Company does not comply with ASX Recommendation 2.4. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.

Nominations of new Directors are considered by the full Board in accordance with the Company's "Selection of New Directors Policy".

2(E) INDEPENDENT DIRECTORS

The Company recognises that independent directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.

Directors of Metals X Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

In making this assessment, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when assessing independence are whether a Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another group member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the Company or another group member other than as a Director.

The Company does not comply with ASX Recommendation 2.1, there is a majority of non-executive Directors but there is not a majority of independent Directors on the Board. In accordance with the definition of independence above, only two of the Directors of the Company are considered to be independent.

The Board believes that the Company is not of sufficient size to warrant the inclusion of more independent non-executive Directors in order to meet the ASX recommendation of maintaining a majority of independent non-executive Directors. The Company maintains a mix of Directors from different backgrounds with complementary skills and experience.

In recognition of the importance of independent views and the Board's role in supervising the activities of management the Chairman must be a non-executive director.

2(F) AVOIDANCE OF CONFLICTS OF INTEREST BY A DIRECTOR

In order to ensure that any interests of a Director in a particular matter to be considered by the Board are known by each Director, each Director is required by the Company to disclose any relationships, duties or interests held that may give rise to a potential conflict. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matters in which they may have an interest.

2. THE BOARD OF DIRECTORS (CONTINUED)

2(G) BOARD ACCESS TO INFORMATION AND INDEPENDENT ADVICE

Directors are able to access members of the management team at any time to request relevant information.

There are procedures in place, agreed by the board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

2(H) REVIEW OF BOARD PERFORMANCE

The performance of the board and each of its committees is reviewed regularly by the Chairman. The Chairman conducts performance evaluations which involve an assessment of each board member's performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of Metals X Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

The performance of each committee is against the requirements of their respective charters.

3. BOARD COMMITTEES

To assist the Board in fulfilling its duties and responsibilities, it has established the following committees:

- Audit Committee; and
- Remuneration Committee.

3(A) AUDIT COMMITTEE

The Board has established an Audit Committee that has three members, comprising two non-executive directors and the Company Secretary. The Audit Committee is governed by its charter, as approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in financial report.

The Audit Committee's main responsibilities include:

- approval of the scope and plan for the external audit;
- review of the independence and performance of the external auditor;
- review of significant accounting policies and practices; and
- review and recommendation to the Board for the adoption of the Consolidated Entity's half year and annual financial statements.

The Audit Committee does not comply with ASX Recommendation 4.2 as only two of the three members are non-executive Directors and none are considered to be independent Directors (refer 2(e)). The Company believes that the committee has appropriate financial expertise, all members are financially literate and have an appropriate understanding of the Company's activities. The Audit Committee is comprised of:

Name	Position
SD Heggen (Chairman)	Non-executive Director
AC Ferguson	Non-executive Director
FJ Van Maanen	CFO & Company Secretary

The qualifications of the committee are set out in the Directors' Report of the Annual Report under the heading "Directors".

The number of times the Audit Committee has formerly met and the number of meetings attended by directors during the financial year are reported in the Directors' Report of the Annual Report under the heading "Directors' Meetings".

External Auditors

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. It is Ernst & Young's policy to rotate engagement partners on listed companies at least every five years.

An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in the notes to the financial statements in the Annual Report. There is no indemnity provided by the company to the auditor in respect of any potential liability to third parties.

The external auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and preparation and content of the audit report.

The directors are satisfied that the provision of non-audit services during the year by the auditors is compatible with the general standard of independence for auditors imposed by the Corporations Act.

The directors are satisfied that the provision of the non-audit services did not compromise the auditor's independence requirements of the Corporations Act because the services were provided by persons who were not involved in the audit and the decision as to whether or not to accept the tax planning advice was made by management.

3(B) REMUNERATION COMMITTEE

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves and the CEO and executive team. The Board has established a Remuneration Committee, comprising two non-executive directors. The Remuneration Committee is governed by its charter, as approved by the Board.

The Remuneration Committee does not comply with ASX Recommendation 8.2 as none of the Directors are considered to be independent Directors (refer 2(e)). The Company believes that the committee has appropriate expertise and all members have an appropriate understanding of the Company's activities. Members of the Remuneration Committee are:

Name	Position
PJ Newton (Chairman)	Chairman & Non-executive Director
SD Heggen	Non-executive Director
AC Ferguson	Non-executive Director

The Remuneration Committee advises the Board on remuneration policies and practices generally, and makes specific recommendations on remuneration packages and other terms of employment for executive directors, senior executives and non-executive directors. Executive remuneration and other terms of employment are reviewed annually by the Committee having regard to personal and corporate performance contribution to long-term growth, relevant comparative information and independent expert advice. Each member of the senior executive team signs a formal employment contract at the time of their appointment covering a range of matters including their duties, rights and responsibilities. As well as base salary, remuneration packages may include superannuation and retirement and termination entitlements.

Non-executive directors are remunerated by way of fees, in the form of cash and superannuation contributions. Non-executive directors do not participate in schemes designed for the remuneration of executives. Non-executive directors do not receive options or bonus payments. There is no scheme to provide retirement benefits, other than statutory superannuation, to non-executive directors.

3. BOARD COMMITTEES (CONTINUED)

3(B) REMUNERATION COMMITTEE (CONTINUED)

The remuneration received by directors and executives in the current period is contained in the "Remuneration Report" within the Directors' Report of the Annual Report.

The number of times the Remuneration Committee has formerly met and the number of meetings attended by directors during the financial year are reported in the Directors' Report of the Annual Report under the heading "Directors' Meetings".

4. TIMELY AND BALANCED DISCLOSURE

4(A) SHAREHOLDER COMMUNICATION

The Company believes that all shareholders should have equal and timely access to material information about the Company including its financial situation, performance, ownership and governance. The Company's "ASX Disclosure Policy" encourages effective communication with its shareholders by requiring that Company announcements:

- be factual and subject to internal vetting and authorisation before issue;
- be made in a timely manner;
- not omit material information;
- be expressed in a clear and objective manner to allow investors to assess the impact of the information when making investment decisions;
- be in compliance with ASX Listing Rules continuous disclosure requirements; and
- be placed on the Company's website promptly following release.

Shareholders are encouraged to participate in general meetings. Copies of addresses by the Chairman or CEO are disclosed to the market and posted on the Company's website. The Company's external auditor attends the Company's annual general meeting to answer shareholder questions about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

4(B) CONTINUOUS DISCLOSURE POLICY

The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal opportunities to receive externally available information issued by the Company. The Company's "ASX Disclosure Policy" described in 5(a) reinforces the Company's commitment to continuous disclosure and outline management's accountabilities and the processes to be followed for ensuring compliance.

The policy also contains guidelines on information that may be price sensitive. The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements with the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

5. RECOGNISING AND MANAGING RISK

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. A written policy in relation to risk oversight and management has been established ("Risk Management and Internal Control Policy"). Considerable importance is placed on maintaining a strong control environment. There is an organisation structure with clearly drawn responsibilities.

5(A) BOARD OVERSIGHT OF THE RISK MANAGEMENT SYSTEM

The Board is responsible for approving and overseeing the risk management system. The Board reviews, at least annually, the effectiveness of the implementation of the risk management controls and procedures.

The principle aim of the system of internal control is the management of business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets. Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems have been designed to meet the Company's specific needs and the risks to which it is exposed.

Annually, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is reduced to an acceptable level.

The Board is also responsible for identifying and monitoring areas of significant business risk. Internal control measures currently adopted by the Board include:

- monthly reporting to the Board in respect of operations and the Company's financial position, with a comparison of actual results against budget; and
- regular reports to the Board by appropriate members of the management team and/or independent advisers, outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

5(B) RISK MANAGEMENT ROLES AND RESPONSIBILITIES

The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Executive management is responsible for implementing the Board approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of the Company's activities.

The board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control.

5(C) CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION

The CEO and CFO provide to the Board written certification that in all material respects:

- the Company's financial statements present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given to the Board on the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and controls which implements the policies adopted by the Board; and
- the Company's risk management an internal compliance and control system is operating efficiently and effectively in all material respects.

5. RECOGNISING AND MANAGING RISK (CONTINUED)

5(D) INTERNAL REVIEW AND RISK EVALUATION

Assurance is provided to the Board by executive management on the adequacy and effectiveness of management controls for risk on a regular basis.

6. ETHICAL AND RESPONSIBLE DECISION MAKING

6(A) CODE OF ETHICS AND CONDUCT

The Board endeavours to ensure that the Directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. The "Code of Conduct" sets out the principles, practices, and standards of personal behaviour the Company expects people to adopt in their daily business activities.

All Directors, officers and employees are required to comply with the Code of Conduct. Senior managers are expected to ensure that employees, contractors, consultants, agents and partners under their supervision are aware of the Company's expectations as set out in the Code of Conduct.

All Directors, officers and employees are expected to:

- comply with the law;
- act in the best interests of the Company;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including prompt disclosure of potential conflicts.

6(B) POLICY CONCERNING TRADING IN COMPANY SECURITIES

The Company's "Securities Trading Policy" applies to all Directors, officers and employees. This policy sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy stipulates that the only appropriate time for a Director, officer or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market.

As a matter of practice, Company shares may only be dealt with by Directors and officers of the Company under the following guidelines:

- no trading is permitted in the period of one month prior to the announcement to the ASX of the Company's quarterly, half year and full year results;
- guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.

6(C) POLICY CONCERNING DIVERSITY

The Company encourages diversity in employment throughout the Company and in the composition of the Board, as a mechanism to ensure that the Company is able to draw on a variety of skill, talent and previous experiences in order to maximise the Company's performance.

The Company's "Diversity Policy" has been implemented to ensure the Company has the benefit of a diverse range of employees with different skills, experience, age, gender, race and cultural backgrounds, and that the Company reports its results on an annual basis in achieving measurable targets which are set by the Board as part of implementation of the Diversity Policy.

The table below outlines the diversity objectives established by the Board, the steps taken during the year to achieve these objectives, and the outcomes.

Objectives	**Steps Taken/Outcome**
Increase the number of women in the workforce, including management and at board level.	Key senior female appointments during the year include: • Metals X appointed no females in managerial roles. • As at 30 June 2013, women represented 20% in the Consolidated Entity's workforce (2012: 16%), 2% in key management positions (2012: 2%) and Nil at board level (2012: Nil).
Review gender pay gaps on an annual basis and implement actions to address any variances.	As a part of the annual remuneration review, the Board assesses the performance and salaries of all key management personnel and executive directors. Any gender pay disparities are addressed.
Provide flexible workplace arrangements.	During the year Metals X employed 7 employees on flexible work arrangements (2012: 10).
Provide career development opportunities for every employee, irrespective of any cultural, gender and other differences.	Whilst Metals X places special focus on gender diversity, career development opportunities are equal for all employees. Employees are encouraged to attend professional development courses/workshops throughout the year.
Promote an inclusive culture that treats the workforce with fairness and respect.	Metals X has set a zero tolerance policy against discrimination of employees at all levels. The Company provides avenues to employees to voice their concerns or report any discrimination. No cases of discrimination were reported during the year (2012: Nil).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013	2012
Continuing operations			
Revenue	5	68,716,372	52,907,011
Cost of sales	7(a)	(59,228,471)	(57,714,749)
Gross profit/(loss)		**9,487,901**	**(4,807,738)**
Other income	6	6,801,736	815,377
Other expenses	7(b)	(9,931,664)	(4,609,688)
Fair value change in financial instruments	7(c)	(378,916)	(434,906)
Impairment loss on available-for-sale financial assets	16	(6,608,070)	(24,490,872)
Share of (loss)/profit of associate	18	(1,559,556)	(2,344,646)
Impairment loss on investment in associates	18	(1,834,473)	(8,064,451)
Reversal of impairment loss on investment in associates	18	2,905,137	-
Exploration and evaluation expenditure written off	21	(484,422)	(285,175)
Loss before income tax and finance costs		**(1,602,327)**	**(44,222,099)**
Finance costs	7(d)	(357,129)	(386,274)
Loss before income tax		**(1,959,456)**	**(44,608,373)**
Income tax benefit/(expense)	8	10,631,770	890,731
Net profit/(loss) after tax		**8,672,314**	**(43,717,642)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Share of change in equity of associate		(505,153)	1,059,669
Net fair value change in available-for-sale financial assets		-	107,369
Reclassification of cumulative fair value changes in available-for-sale financial assets previously recognised in equity to the profit and loss		(107,369)	2,843,188
Income tax effect		-	(852,957)
Other comprehensive (loss)/profit for the period, net of tax		**(612,522)**	**3,157,269**
Total comprehensive profit/(loss) for the period		**8,059,792**	**(40,560,373)**
Profit/(loss) for the period is attributable to:			
Owners of the parent		8,672,314	(43,923,687)
Non-controlling interest		-	206,045
		8,672,314	**(43,717,642)**
Total comprehensive profit/(loss) for the period is attributable to:			
Owners of the parent		8,059,792	(40,766,418)
Non-controlling interest		-	206,045
		8,059,792	**(40,560,373)**
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the company			
- basic for profit/(loss) for the year (cents)	9	0.56	(3.31)
- diluted for profit/(loss) for the year (cents)	9	0.56	(3.31)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Notes	2013	2012
CURRENT ASSETS			
Cash and cash equivalents	11	61,453,120	42,971,360
Trade and other receivables	12	12,441,035	13,364,361
Inventories	13	14,642,803	11,898,557
Other assets	14	472,039	203,334
Other financial assets	15	6,885,885	3,990,730
Total current assets		**95,894,882**	**72,428,342**
NON-CURRENT ASSETS			
Available-for-sale financial assets	16	2,650,277	29,689,236
Derivative financial instruments	17	70,073	448,989
Investment in associates	18	-	19,839,153
Property, plant and equipment	19	12,567,716	18,757,169
Mine properties and development costs	20	100,174,023	87,080,629
Exploration and evaluation expenditure	21	81,867,452	1,675,900
Total non-current assets		**197,329,542**	**157,491,076**
TOTAL ASSETS		**293,224,424**	**229,919,418**
CURRENT LIABILITIES			
Trade and other payables	22	11,108,270	8,320,501
Interest bearing loans and borrowings	23	67,900	1,507,488
Provisions	24	1,286,316	959,732
Total current liabilities		**12,462,486**	**10,787,721**
NON-CURRENT LIABILITIES			
Provisions	25	6,871,662	3,365,165
Interest bearing loans and borrowings	26	119,913	2,942,774
Total non-current liabilities		**6,991,575**	**6,307,939**
TOTAL LIABILITIES		**19,454,061**	**17,095,660**
NET ASSETS		**273,770,363**	**212,823,758**
EQUITY			
Issued capital	27	330,962,263	279,086,186
Accumulated losses	28	(76,931,564)	(85,603,878)
Option premium reserve	29	19,739,664	18,728,928
Other reserves	29	-	612,522
TOTAL EQUITY		**273,770,363**	**212,823,758**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013	2012
OPERATING ACTIVITIES			
Receipts from customers		65,329,871	47,550,501
Interest received		2,680,417	4,705,048
Other income		906,204	1,190,622
Payments to suppliers and employees		(58,757,095)	(47,263,268)
Interest paid		(238,441)	(240,221)
Net cash flows from operating activities	11	**9,920,956**	**5,942,682**
INVESTING ACTIVITIES			
Payments for property, plant and equipment		(2,130,901)	(2,525,291)
Payments for mine properties and development		(14,966,404)	(10,048,109)
Payments for exploration and evaluation		(2,077,793)	(4,170,610)
Payments for available-for-sale financial assets		(902,101)	(4,224,797)
Payments for derivative financial instruments		-	(655,625)
Proceeds from sale of property, plant and equipment - other		815,000	175,209
Proceeds from sales of available-for-sale financial assets		28,649,801	-
Payments for investment in associates		-	(4,386,758)
Cash acquired on acquisition of subsidiary		1,126,934	-
Net cash flows from/(used in) investing activities		**10,514,536**	**(25,835,981)**
FINANCING ACTIVITIES			
Payment for share buy-back		-	(10,932,265)
Payment of finance lease liabilities		(1,242,712)	(1,663,910)
Proceeds from minority interest share forfeiture		-	(2,500)
Transaction costs on issue of shares		(64,865)	-
Payments for performance bond facility		(646,155)	(520,000)
Net cash flows (used in) financing activities		**(1,953,732)**	**(13,118,675)**
Net increase/(decrease) in cash and cash equivalents		18,481,760	(33,011,974)
Cash and cash equivalents at the beginning of the financial period		42,971,360	75,983,334
Cash and cash equivalents at the end of the period	11	**61,453,120**	**42,971,360**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Issued capital	Accumulated losses	Option premium reserve	Other reserves	Owners of the parent	Non-controlling interest	Total Equity
2012							
At 1 July 2011	**290,056,226**	**(41,680,191)**	**18,326,178**	**(2,729,920)**	**263,972,293**	**(18,372)**	**263,953,921**
Loss for the year	-	(43,923,687)	-	-	(43,923,687)	206,045	(43,717,642)
Other comprehensive income, net of tax	-	-	-	3,157,269	3,157,269	-	3,157,269
Total comprehensive (loss)/profit for the year net of tax	**-**	**(43,923,687)**	**-**	**3,157,269**	**(40,766,418)**	**206,045**	**(40,560,373)**
Transactions with owners in their capacity as owners							
Share buy-back	(10,932,265)	-	-	-	(10,932,265)	-	(10,932,265)
Share-based payment	-	-	402,750	-	402,750	-	402,750
Tax effect of share issue costs	(37,775)	-	-	-	(37,775)	-	(37,775)
Reverse non-controlling interest in share of net assets	-	-	-	185,173	185,173	-	185,173
Non-controlling interest share of net assets	-	-	-	-	-	(187,673)	(187,673)
At 30 June 2012	**279,086,186**	**(85,603,878)**	**18,728,928**	**612,522**	**212,823,758**	**-**	**212,823,758**
2013							
At 1 July 2012	**279,086,186**	**(85,603,878)**	**18,728,928**	**612,522**	**212,823,758**	**-**	**212,823,758**
Loss for the year	-	8,672,314	-	-	8,672,314	-	8,672,314
Other comprehensive income, net of tax	-	-	-	(612,522)	(612,522)	-	(612,522)
Total comprehensive (loss)/profit for the year net of tax	**-**	**8,672,314**	**-**	**(612,522)**	**8,059,792**	**-**	**8,059,792**
Transactions with owners in their capacity as owners							
Issue of share capital - acquisition of Westgold Resources Limited	51,940,942	-	-	-	51,940,942	-	51,940,942
Issue of options - acquisition of Westgold Resources Limited	-	-	1,010,736	-	1,010,736	-	1,010,736
Share issue costs	(64,865)	-	-	-	(64,865)	-	(64,865)
At 30 June 2013	**330,962,263**	**(76,931,564)**	**19,739,664**	**-**	**273,770,363**	**-**	**273,770,363**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1. CORPORATE INFORMATION

The financial report of Metals X Limited for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the Directors on 6 September 2013.

Metals X Limited ("the Parent") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Consolidated Entity are described in the Directors' Report.

The address of the registered office is Level 3, 123 Adelaide Terrace, East Perth, WA 6004.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards and other authorative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale investments, which have been measured at fair value.

The financial report is presented in Australian dollars.

(B) STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board which include International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Adoption of new accounting standards

In the current year, the Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2012. The adoption of these new and revised Standards and Interpretations did not have any effect on the financial position or performance of the Consolidated Entity.

The Australian Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2012, adopted include the following. The Directors do not expect these Standards and Interpretations to have a material impact.

Reference	Summary	Application date of standard*	Application date for Consolidated Entity*
AASB 2011-9	Amendments to Australian Accounting Standards -Presentation of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] This standard requires entities to group items presented in other comprehensive income on the basis of whether they might be reclassified subsequently to profit or loss and those that will not.	1 July 2012	1 July 2012

The following standards and interpretations have been issued by the AASB but are not yet effective for the period ending 30 June 2013.

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 10	Consolidated Financial Statements	AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and UIG-112 Consolidation - Special Purpose Entities. The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. **Consequential amendments were also made to this and other standards via AASB 2011-7 and AASB 2012-10.**	1 January 2013***	1 July 2013
AASB 11	Joint Arrangements	AASB 11 replaces AASB 131 Interests in Joint Ventures and UIG-113 Jointly- controlled Entities - Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition it removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. **Consequential amendments were also made to this and other standards via AASB 2011-7, AASB 2010-10 and amendments to AASB 128.**	1 January 2013***	1 July 2013
AASB 12	Disclosure of Interests in Other Entities	AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates, structured entities and subsidiaries with non-controlling interests.	1 January 2013***	1 July 2013
AASB 13	Fair Value Measurement	AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. **Consequential amendments were also made to other standards via AASB 2011-8.**	1 January 2013***	1 July 2013
AASB 119	Employee Benefits	The main change introduced by this standard is to revise the accounting for defined benefit plans. The amendment removes the options for accounting for the liability, and requires that the liabilities arising from such plans is recognised in full with actuarial gains and losses being recognised in other comprehensive income. It also revised the method of calculating the return on plan assets. The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date. **Consequential amendments were also made to other standards via AASB 2011-10.**	1 January 2013	1 July 2013

Reference	Title	Summary	Application date of standard*	Application date for Group*
Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	This interpretation applies to stripping costs incurred during the production phase of a surface mine. Production stripping costs are to be capitalised as part of an asset, if an entity can demonstrate that it is probable future economic benefits will be realised, the costs can be reliably measured and the entity can identify the component of an ore body for which access has been improved. This asset is to be called the "stripping activity asset". The stripping activity asset shall be depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The units of production method shall be applied unless another method is more appropriate. **Consequential amendments were also made to other standards via AASB 2011-12.**	1 January 2013	1 July 2013
AASB 2012-2	Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities	AASB 2012-2 principally amends AASB 7 Financial Instruments: Disclosures to require disclosure of the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position, when all the offsetting criteria of AASB 132 are not met.	1 January 2013	1 July 2013
AASB 2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following: • Repeat application of AASB 1 is permitted (AASB 1) • Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements).	1 January 2013	1 July 2013
AASB 2012-9	Amendment to AASB 1048 arising from the withdrawal of Australian Interpretation 1039	AASB 2012-9 amends AASB 1048 Interpretation of Standards to evidence the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia.	1 January 2013	1 July 2013
AASB 2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013*****	1 July 2013

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 1053	Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements: a. Tier 1: Australian Accounting Standards b. Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: a. For-profit entities in the private sector that have public accountability (as defined in this Standard) b. The Australian Government and State, Territory and Local Governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: a. For-profit private sector entities that do not have public accountability b. All not-for-profit private sector entities c. Public sector entities other than the Australian Government and State, Territory and Local Governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11 and 2012-1, 2012-7 and 2012-11.	1 July 2013	1 July 2013
AASB 2012-3	Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities	AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 July 2014
Interpretation 21	Levies^	This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.	1 January 2014	1 July 2014
AASB 1055**	Budgetary Reporting	This standard specifies budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government. **AASB 2013-1 removes the requirements relating to the disclosure of budgetary information from AASB 1049 (without substantive amendment). All budgetary reporting requirements applicable to public sector entities are now located in AASB 1055.**	1 July 2014	****

Reference	Title	Summary	Application date of standard*	Application date for Group*
AASB 9	Financial Instruments	AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI) • The remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. **Further amendments were made by AASB 2012-6** which amends the mandatory effective date to annual reporting periods beginning on or after 1 January 2015. AASB 2012-6 also modifies the relief from restating prior periods by amending AASB 7 to require additional disclosures on transition to AASB 9 in some circumstances. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.	1 Jan 2015	1 July 2015

* Designates the beginning of the applicable annual reporting period unless otherwise stated.

** Only applicable to not-for-profit/public sector entities.

*** The mandatory effective date for AASB 10, 11 and 12 for not-for-profit entities has been deferred to 1 January 2014, per AASB 2012-10.

**** Only applicable for Government entities which are likely to have June year-ends, therefore the application date is likely to be 1 July.

***** This standard cannot be early adopted. Revisions are currently being made to the Corporations Law to bring this disclosure into the Directors' Report.

^ The AASB have not yet issued the Australian equivalent of this Interpretation.

(C) CHANGES IN ACCOUNTING POLICY

The accounting policies used in the preparation of these financial statements are consistent with those used in previous years.

(D) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries ('the Consolidated Entity') as at 30 June each year.

Subsidiaries are all those entities over which the Consolidated Entity has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a consolidated entity controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions, have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity.

Where there is loss of control of a controlled entity, the consolidated financial statements include the results for the part of the reporting period during which the Company has control.

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

Changes in ownership interest of a subsidiary (without a change in control) is accounted for as a transaction with owners in their capacity as owners.

(E) FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Both the functional and presentation currency of the Company and its Australian subsidiaries is Australian dollars (A$).

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the reporting date.

All exchange differences in the consolidated financial report are taken to the statement of comprehensive income.

(F) OPERATING SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

The Consolidated Entity aggregates two or more operating segments when they have similar economic characteristics.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(G) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in the current liabilities on the statement of financial position.

(H) TRADE AND OTHER RECEIVABLES

Trade and other receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment.

Collectibility of trade and other receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(I) INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Cost includes expenditure incurred in acquiring and bringing the inventories to their existing condition and location and is determined using the weighted average cost method.

(J) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

The Consolidated Entity uses derivative financial instruments to manage commodity price exposures. Such derivative financial instruments are initially recorded at fair value on the date on which the derivative contract is entered into and are subsequently remeasured to fair value.

Certain derivative instruments are also held for trading for the purpose of making short term gains. None of the derivatives qualify for hedge accounting and changes in fair value are recognised immediately in profit or loss in other revenue and expenses.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

(K) INTEREST IN JOINTLY CONTROLLED ASSETS

The Consolidated Entity recognises its share of the assets, classified as property, plant and equipment, mine properties and development, intangible assets and exploration and evaluation expenditure. In addition, the Consolidated Entity recognises it share of assets, liabilities, expenses and income from the use and output of the jointly controlled assets.

(L) AVAILABLE-FOR-SALE INVESTMENTS

All available-for-sale investments are initially recognised at fair value plus directly attributable transaction costs.

Available-for-sale investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale. Investments are designated as available-for-sale if they do not have fixed maturities and fixed and determinable payments and management intends to hold them for the medium to long term.

After initial recognition, available-for-sale investments are measured at fair value. Gains or losses are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the statement of comprehensive income.

The fair value of investments that are actively traded in organised markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

For investments with no active market, fair value is determined using valuation techniques. Such valuation techniques include using recent arm's length transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models. Where fair value cannot be reliably measured for certain unquoted investments, these investments are measured at cost.

(M) INVESTMENTS IN ASSOCIATES

The Consolidated Entity's investment in its associates is accounted for using the equity method of accounting in the consolidated financial statements. The associates are entities over which the Consolidated Entity has significant influence and that are neither subsidiaries nor joint ventures.

The Consolidated Entity generally deems it has significant influence if it has over 20% of the voting rights.

Under the equity method, investments in the associates are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Consolidated Entity's share of net assets of the associates. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Consolidated Entity determines whether it is necessary to recognise any impairment loss with respect to the Consolidated Entity's net investment in associates. Goodwill included in the carrying amount of the investment in associate is not tested separately, rather the entire carrying amount of the investment is tested for impairment as a single asset. If an impairment is recognised, the amount is not allocated to the goodwill of the associate.

The Consolidated Entity's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

When the Consolidated Entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Consolidated Entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The financial statements of the associate are prepared for the same reporting period as the Consolidated Entity. When necessary, adjustments are made to bring the accounting policies in line with those of the Consolidated Entity.

(N) BUSINESS COMBINATIONS

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition-date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the appropriate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Consolidated Entity acquires a business, it assess the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Consolidated Entity's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in the host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or in other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured. Subsequent settlement is accounted for within equity. In instances, where the contingent consideration does not fall within the scope of AASB 39, it is measured in accordance with the appropriate AASB.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of the identifiable net assets acquired and liabilities assumed. If this consideration is lower than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

(O) PROPERTY, PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Capital work-in-progress is stated at cost and comprises all costs directly attributable to bringing the assets under construction ready to their intended use. Capital work-in-progress is transferred to property, plant and equipment at cost on completion.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or where appropriate, over the estimated life of the mine.

Major depreciation periods are:

- Mine specific plant and equipment is depreciated using – the shorter of life of mine or useful life. Useful life ranges from 2 to 10 years.
- Buildings – the shorter of life of mine or useful life. Useful life ranges from 5 to 40 years.
- Office Plant and equipment is depreciated at 33% per annum for computers and office machines and 20% per annum for other office equipment and furniture.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

(O) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period the item is derecognised.

(P) EXPLORATION AND EVALUATION EXPENDITURE

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:

i. it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;

ii. exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the statement of comprehensive income or provided against.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the statement of comprehensive income.

(Q) MINE PROPERTIES AND DEVELOPMENT

Expenditure on the acquisition and development of mine properties within an area of interest are carried forward at cost separately for each area of interest. Accumulated expenditure is amortised over the life of the area of interest to which such costs relate on a production output basis.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Impairment

The carrying value of capitalised mine properties and development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The recoverable amount of capitalised mine properties and development expenditure is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the statement of comprehensive income.

(R) NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction. They are not depreciated or amortised. For an asset or disposal group to be classified as held for sale it must be available for immediate sale in its present condition and its sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but is not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised as the date of derecognition.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of comprehensive income and the assets and liabilities are presented separately on the face of the statement of financial position.

(S) INTANGIBLES

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits or losses in the year the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

(S) INTANGIBLES (CONTINUED)

Research and development costs

Research costs are expensed as incurred. An asset arising from development expenditure on an internal project is recognised only when the Consolidated Entity can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, or its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefits from the related project.

The carrying value of an asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use, or more frequently when an indication of impairment arises during the reporting period.

A summary of policies applied to the Consolidated Entity's intangible assets is as follows:

Development Costs	
Useful lives	Finite
Amortisation method used	Amortised over the period of expected future benefit from the related project on a straight-line basis.
Internally generated or acquired	Internally generated
Impairment testing	Annually for assets not yet available for use and more frequently when an indication of impairment exists. The amortisation method is reviewed at each financial period end.

(T) RECOVERABLE AMOUNT OF ASSETS

At each reporting date, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Consolidated Entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of plant and equipment, mine properties and development and exploration and evaluation expenditure is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the assets belongs, unless the asset's value in use can be estimated to be close to its fair value.

An assessment is also made at each reporting date as to whether there is any indication that a previously recognised impairment loss may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(U) TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(V) REHABILITATION COSTS

The Group is required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related asset are adjusted and the effect is recognised in profit or loss on a prospective basis over the remaining life of the operation.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by potential proceeds from the sale of assets or from plant clean up at closure.

(W) INTEREST-BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless the Consolidated Entity has the unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(X) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(Y) PROVISIONS

Provisions are recognised when the Consolidated Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(Z) LEASES

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(i) Operating Leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the financial year in which they are incurred.

(ii) Finance Leases

Leases which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Consolidated Entity are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of comprehensive income.

Capitalised leased assets are depreciated over the estimated useful life of the asset or where appropriate, over the estimated life of the mine.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements, and amortised over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is the shorter.

(AA) ISSUED CAPITAL

Issued and paid up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

(AB) REVENUE

Revenue is measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Tin sales

Revenue from tin production is recognised when the risks in the product has passed to the buyer pursuant to a sales contract. For tin concentrate sales, the sales price is determined on a provisional basis at the date of shipment. Adjustments to the sale price occur based on movements in the metal price up to the date of final pricing. Final pricing is determined within 35 days after arrival at port.

Interest income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(AC) SHARE-BASED PAYMENT TRANSACTIONS

The Consolidated Entity provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The Consolidated Entity has one plan in place that provides these benefits. It is the Long Term Incentive Plan ("LTIP") which provides benefits to all employees including Directors. The scheme has no direct performance requirements but has specified time restrictions on the exercise of options. The share options will vest immediately for Directors and after one year or as determined by the Board of Directors for employees. Employees and Directors are able to exercise the share options for up to three years after vesting before the options lapse. Where a participant ceases employment prior to the vesting of their share options, the share options are forfeited. Where a participant ceases employment after the vesting of their share options, the share options automatically lapse after six months of ceasing employment.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using a Black & Scholes model. Further details of which are given in note 30.

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of Metals X Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

(AC) SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not the market condition is fulfilled, provided that all other conditions are satisfied.

If a non-vesting condition is within the control of the Consolidated Entity, Company or the employee, the failure to satisfy the condition is treated as a cancellation. If a non-vesting condition within the control of neither the Consolidated Entity, Company nor employee is not satisfied during the vesting period, any expense for the award not previously recognised is recognised over the remaining vesting period, unless the award is forfeited.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(AD) EMPLOYEE BENEFITS

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation

Contributions made by the Consolidated Entity to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

(AE) EARNINGS PER SHARE

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent adjusted for:

- cost of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discriminatory changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(AF) OTHER TAXES

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of amounts of GST recoverable from, or payable to, the taxation authority.

(AG) INCOME TAX

The Consolidated Entity entered into a tax consolidated group as of 1 July 2004.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- when the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised income taxes are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation
Metals X Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 July 2004. The head entity, Metals X Limited and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Consolidated Entity has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(I) SIGNIFICANT ACCOUNTING JUDGMENTS

Determination of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates and provisions for mine rehabilitation. Metals X Limited estimates its mineral resource and reserves in accordance with the Australian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 (the "JORC code"). The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Impairment of available-for-sale-investments

In determining the amount of impairment of financial assets, the Consolidated Entity has made judgements in identifying financial assets whose decline in fair value below cost is considered "significant" or "prolonged". A significant decline is assessed based on the historical volatility of the share price.

The higher the historical volatility, the greater the decline in fair value required before it is likely to be regarded as significant. A prolonged decline is based on the length of time over which the share price has been depressed below cost. A sudden decline followed by immediate recovery is less likely to be considered prolonged compared to a sustained fall of the same magnitude over a longer period.

The Consolidated Entity considers a less than a 10% decline in fair value is unlikely to be considered significant for investments actively traded in a liquid market, whereas a decline in fair value of greater than 20% will often be considered significant. For less liquid investments that have historically been volatile (standard deviation greater than 25%), a decline of greater than 30% is usually considered significant.

Generally, the Consolidated Entity does not consider a decline over a period of less than three months to be prolonged. However, where the decline in fair value is greater than six months for liquid investments and 12 months for illiquid investments, it is usually considered prolonged.

(I) SIGNIFICANT ACCOUNTING JUDGMENTS (CONTINUED)

Classification of assets and liabilities as held for sale

The Consolidated Entity classifies assets and liabilities as held for sale when the carrying amount will be recovered through a sale transaction. The assets and liabilities must be available for immediate sale and the Consolidated Entity must be committed to selling the assets either through the entering into a contractual sale agreement or the activation and commitment to a program to locate a buyer and dispose of the assets and liabilities.

(II) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Mine rehabilitation provision

The Consolidated Entity assesses its mine rehabilitation provision on an annual basis in accordance with the accounting policy stated in note 2(v). Significant judgement is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine site. Factors that will affect this liability include future development, changes in technology and changes in interest rates. When these factors change or become known in the future, such difference will impact the mine rehabilitation provision in the period in which they change or become known.

Classification of and valuation of investments

The Consolidated Entity has decided to classify investments in listed securities as "available-for-sale" investments and movements in fair value are recognised directly in equity. The fair value of listed shares has been determined by reference to published price quotations on an active market.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Consolidated Entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

Impairment of capitalised mine development expenditure

The future recoverability of capitalised mine development expenditure is dependent on a number of factors, including the level of proved, probable and inferred mineral resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised mine development expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

Impairment of property, plant and equipment
Property, plant and equipment is reviewed for impairment if there is any indication that the carrying amount may not be recoverable. Where a review for impairment is conducted, the recoverable amount is assessed by reference to the higher of "value in use" (being net present value of expected future cash flows of the relevant cash generating unit) and "fair value less costs to sell".

In determining the value in use, future cash flows are based on:

- estimates of the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- future production levels;
- future commodity prices; and
- future cash costs of production and capital expenditure.

Variations to the expected cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which in turn could impact future financial results.

Life of mine method of amortisation and depreciation
The Consolidated Entity applies the life of mine method of amortisation and depreciation to its mine specific plant and to mine properties and development based on ore tonnes mined. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and the production capacity of the plants to be depreciated under this method. Factors that are considered in determining reserves and resources and production capacity are the Consolidated Entity's history of converting resources to reserves and the relevant time frames, the complexity of metallurgy, markets and future developments. When these factors change or become known in the future, such differences will impact pre-tax profit and carrying values of assets. During the year there was an increase in the available reserves, which has had an impact on assets being amortised using the unit of production amortisation method resulting in a decrease in the amortisation expense for the period.

Share-based payment transactions
The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black & Scholes model, using the assumptions as discussed in note 30. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities in the next annual reporting period but may impact expenses and equity.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Consolidated Entity's principal financial instruments comprise receivables, payables, unsecured loans, finance lease and hire purchase contracts, cash and short-term deposits and derivatives.

Risk exposures and responses

The Consolidated Entity manages its exposure to key financial risks, including interest rate risk and currency risk in accordance with the Consolidated Entity's financial risk management policy. The objective of the policy is to support the delivery of the Consolidated Entity's financial targets while protecting future financial security.

The Consolidated Entity enters into derivative transactions, principally zero cost collar put and call options. The purpose is to manage the commodity price risks arising from the Consolidated Entity's operations. These derivatives provide economic hedges, but do not qualify for hedge accounting and are based on limits set by the board. The main risks arising from the Consolidated Entity's financial instruments are interest rate risk, foreign currency risk, commodity risk, credit risk, equity price risk and liquidity risk. The Consolidated Entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

The Consolidated Entity's principal financial instruments include investments in cash, equities, payables, interest bearing liabilities and derivatives. The accounting classification of each category of financial instruments as defined in note 2, and their carrying amounts, are set out below:

(A) INTEREST RATE RISK

The Consolidated Entity's exposure to risks of changes in market interest rates relate primarily to the Consolidated Entity's long term debt obligations and cash balances. The level of debt is disclosed in notes 23 and 26. The Consolidated Entity's policy is to manage its interest cost using fixed rate debt. Therefore the Consolidated Entity does not have any variable interest rate risk on its debt. The Consolidated Entity constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The sensitivity analysis is based on the variable position.

At 30 June 2013, if interest rates had moved by a reasonably possible 0.5%, as illustrated in the table below, with all other variables held constant, post tax losses and equity would have been affected as follows:

	Post tax profit higher/(lower)		Other Comprehensive Income higher/(lower)	
	2013	**2012**	**2013**	**2012**
Judgements of reasonably possible movements:				
+ 0.5% (50 basis points)	5,191	15,297	-	-
- 0.5% (50 basis points)	(5,191)	(15,297)	-	-

A sensitivity of +%0.5 or -0.5% has been selected as this is considered reasonable given the current level of short-term and long-term Australian dollar interest rates. The movements in profit are due to possible higher or lower interest income from variable rate cash balances. The sensitivity is lower in 2013 than 2012 due to a decrease in the balance of cash and cash equivalents held in variable interest rate accounts in 2013.

At the reporting date the Consolidated Entity's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below.

2013	Floating interest rate	Fixed interest	Non-Interest bearing	Total carrying amount
Financial assets				
Cash and cash equivalents	1,483,016	59,970,104	-	61,453,120
Trade and other receivables	-	-	12,441,035	12,441,035
Other financial assets	-	6,885,885	-	6,885,885
	1,483,016	**66,855,989**	**12,441,035**	**80,780,040**
Financial liabilities				
Trade and other payables	-	-	(11,108,270)	(11,108,270)
Interest bearing liabilities	-	(187,813)	-	(187,813)
	-	(187,813)	(11,108,270)	(11,296,083)
Net financial assets/(liabilities)				**69,483,957**

2012	Floating interest rate	Fixed interest	Non-Interest bearing	Total carrying amount
Financial assets				
Cash and cash equivalents	4,370,591	38,600,769	-	42,971,360
Trade and other receivables	-	-	13,364,361	13,364,361
Other financial assets	-	3,090,730	900,000	3,990,730
	4,370,591	**41,691,499**	**14,264,361**	**60,326,451**
Financial liabilities				
Trade and other payables	-	-	(8,320,501)	(8,320,501)
Interest bearing liabilities	-	(4,450,262)	-	(4,450,262)
	-	(4,450,262)	(8,320,501)	(12,770,763)
Net financial assets/(liabilities)				**47,555,688**

(B) CREDIT RISK

Credit risk arises from the financial assets of the Consolidated Entity, which comprises cash and cash equivalents, trade and other receivables, available-for-sale financial assets, other financial assets held as security and derivative instruments. Cash and cash equivalents are held with National Australia Bank which is an Australian Bank with an AA credit rating (Standard & Poor's). The Consolidated Entity's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note) as well as $6,885,885 (2012: $3,090,730) in relation to financial guarantees granted and security deposits (refer to note 15).

The Consolidated Entity does not hold any credit derivatives to offset its credit exposure.

The Consolidated Entity trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Consolidated Entity's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Consolidated Entity does not have a significant exposure to bad debts.

There are no significant concentrations of credit risk within the Consolidated Entity.

(C) PRICE RISK

Commodity Price Risk

The Consolidated Entity's revenues are exposed to commodity price fluctuations, in particular tin prices. Periodically the Consolidated Entity enters into derivatives contracts to manage commodity price exposure. The Consolidated Entity has not utilised derivatives in the 2013 and 2012 financial years.

A summary of the Consolidated Entity's assets subject to commodity risk is set out below:

Current assets	2013	2012
Trade receivables subject to quotational pricing	3,860,222	3,302,940

At 30 June 2013, if commodity prices had moved by a reasonably possible 10%, as illustrated in the table below, with all other variables held constant, post tax losses and equity would have been affected as follows:

	Post tax profit higher/(lower)		Other Comprehensive Income higher/(lower)	
	2013	2012	2013	2012
Judgements of reasonably possible movements:				
Price + 10%	270,216	231,206	-	-
Price - 10%	(270,216)	(231,206)	-	-

A sensitivity of +10% or -10% has been selected as this is considered reasonable given recent fluctuations in tin commodity prices and management's expectations of future movements. The movements in commodity prices are due to possible higher or lower commodity prices from tin sales that are classified as trade receivables (refer to note 2(h)). The sensitivity in 2013 is higher due to a higher trade receivables balance at 30 June 2013.

Equity Security Price Risk

The Consolidated Entity's revenues are exposed to equity security price fluctuations arising from investments in equity securities.

At 30 June 2013, if equity security prices had moved by a reasonably possible 20%, as illustrated in the table below, with all other variables held constant, post tax losses and equity would have been affected as follows:

	Post tax profit higher/(lower)		Other Comprehensive Income higher/(lower)	
	2013	2012	2013	2012
Judgements of reasonably possible movements:				
Price + 20%	9,810	70,538	371,039	3,994,793
Price - 20%	(9,810)	(70,538)	(371,039)	(3,994,793)

A sensitivity of +20% or -20% has been selected as this is considered reasonable given recent fluctuations in equity prices and management's expectations of future movements. The movements in other comprehensive income are due to possible higher or lower equity security prices from investments in equity securities that are classified as available-for-sale financial assets (refer to note 2(l)). The overall sensitivity for post-tax losses and equity in 2013 is lower due to decreases in the market value of the underlying securities during the financial year (refer to notes 16 and 17).

(D) FOREIGN CURRENCY RISK EXPOSURE

As a result of sales receipts being denominated in Malaysian Ringgit and US dollars, the Consolidated Entity's cash flows can be affected by movements in the Malaysian Ringgit/Australian dollar and US dollar /Australian dollar exchange rates. The Consolidated Entity's exposure to foreign currency is however not considered to be significant.

(E) LIQUIDITY RISK

Liquidity risk arises from the financial liabilities of the Consolidated Entity and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due.

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of finance and hire purchase leases.

The table below reflects all contractually fixed payables and receivables for settlement, repayment and interest resulting from recognised financial assets and liabilities, including derivative financial instruments as of 30 June 2013. For derivative financial instruments the market value is presented, whereas for the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial assets and liabilities without fixed amount or timing are based on the conditions existing as 30 June.

The remaining contractual maturities of the Consolidated Entity's financial liabilities are:

	2013	2012
6 months or less	11,144,955	9,203,821
6 - 12 months	36,685	858,129
1 - 5 years	121,969	3,248,508
Over 5 years	-	-
	11,303,609	**13,310,458**

(E) LIQUIDITY RISK (CONTINUED)

Maturity analysis of financial assets and liabilities based on management's expectation.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments of working capital e.g. inventories and trade receivables. To monitor existing financial assets and liabilities as well as to enable effective controlling of future risks, management monitors its Consolidated Entity's expected settlement of financial assets and liabilities on an ongoing basis.

2013	<6 months	6-12 months	1-5 years	>5 years	Total
Financial assets					
Cash and equivalents	1,546,114	62,521,651	-	-	64,067,765
Trade and other receivables	12,441,035	-	-	-	12,441,035
Available-for-sale financial assets	-	-	-	2,650,277	2,650,277
Derivatives-held for trading	70, 073	-	-	-	70,073
Other financial assets	6,885,885	-	-	-	6,885,885
	20,943,107	**62,521,651**	**-**	**2,650,277**	**86,115,035**
Financial liabilities					
Trade and other payables	(11,108,270)	-	-	-	(11,108,270)
Interest bearing loans	(36,685)	(36,685)	(121,969)	-	(195,339)
	(11,144,955)	**(36,685)**	**(121,969)**	**-**	**(11,303,609)**
Net inflow/(outflow)	**9,798,152**	**62,484,966**	**(121,969)**	**2,650,277**	**74,811,426**

2012	<6 months	6-12 months	1-5 years	>5 years	Total
Financial assets					
Cash and equivalents	4,619,503	40,799,139	-	-	45,418,642
Trade and other receivables	13,364,361	-	-	-	13,364,361
Available-for-sale financial assets	-	-	-	29,689,236	29,689,236
Derivatives-held for trading	448,989	-	-	-	448,989
Other financial assets	3,990,730	-	-	-	3,990,730
	22,423,583	**40,799,139**	**-**	**29,689,236**	**92,911,958**
Financial liabilities					
Trade and other payables	(8,320,501)	-	-	-	(8,320,501)
Interest bearing loans	(883,320)	(858,129)	(3,248,508)	-	(4,989,957)
	(9,203,821)	**(858,129)**	**(3,248,508)**	**-**	**(13,310,458)**
Net inflow/(outflow)	**13,219,762**	**39,941,010**	**(3,248,508)**	**29,689,236**	**79,601,500**

(F) FAIR VALUES

For all financial assets and liabilities recognised in the statement of financial position, due to their short term nature, carrying amount approximates fair value unless otherwise stated in the applicable notes.

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

The Consolidated Entity uses various methods in estimating the fair value of a financial instrument. The methods comprise

Level 1: the fair value is calculated using quoted prices in active markets.

Level 2: the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from price).

Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

2013	Quoted market price (Level 1)	Valuation technique market observable inputs (Level 2)	Valuation technique non market observable inputs (Level 3)	Total
Financial Assets				
Available-for-sale financial assets				
Listed investments	2,650,277	-	-	**2,650,277**
Unlisted investments	-	-	-	**-**
Derivatives				
Listed investments	70,073	-	-	**70,073**
Unlisted investments	-	-	-	**-**
	2,720,350	**-**	**-**	**2,720,350**

2012	Quoted market price (Level 1)	Valuation technique market observable inputs (Level 2)	Valuation technique non market observable inputs (Level 3)	Total
Financial Assets				
Available-for-sale financial assets				
Listed investments	29,689,236	-	-	**29,689,236**
Unlisted investments	-	-	-	**-**
Derivatives		-		
Listed investments	434,450	-	14,539	**448,989**
Unlisted investments	-	-	-	**-**
	30,123,686	**-**	**14,539**	**30,138,225**

Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs. The fair value of the listed equity investments are based on quoted market prices.

For financial instruments not quoted in active markets, the Consolidated Entity uses valuation techniques such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

(F) FAIR VALUES (CONTINUED)

Financial instruments that use valuation techniques with only observable market inputs or unobservable inputs that are not significant to the overall valuation include interest rate swaps, forward commodity contracts and foreign exchange contracts not traded on a recognised exchange.

The fair value of unlisted debt and equity securities, as well as other investments that do not have an active market, are based on valuation techniques using market data that is not observable. Where the impact of credit risk on the fair value of a derivative is significant, and the inputs on credit risk (e.g., CDS spreads) are not observable, the derivative would be classified as based on non-observable market inputs (Level 3). Certain long dated forward commodity contracts where there are no observable forward prices in the market are classified as Level 2 as the unobservable inputs are not considered significant to the overall value of the contract.

Transfer between categories

During the year there was a transfer of the Aziana Limited shares into Level 1 from investment in associates (refer to note 18). There were no transfers between Level 1 and Level 2, and no transfers into and out of Level 3 fair value measurement. The fair value decrease of the available-for-sale investments have been recorded in other comprehensive income.

5. REVENUE

	2013	2012
Revenue from sale of tin concentrate	62,805,991	48,915,245
Revenue from sale of copper concentrate	3,109,686	-
Interest received - other corporations	2,800,695	3,991,766
Total revenue	**68,716,372**	**52,907,011**

6. OTHER INCOME

	2013	2012
Net loss on sale of assets	(127,199)	(375,245)
Net gain on share investments	6,022,731	-
Other income	906,204	1,190,622
Total other income	**6,801,736**	**815,377**

7. EXPENSES

		2013	2012
(a)	**Cost of sales**		
	Salaries, wages expense and other employee benefits	7,344,167	6,884,078
	Superannuation expense	660,975	619,567
	Other production cash costs	40,142,129	36,029,427
	Reversal of write-down (write-down) in value of inventories to estimated net realisable value	(1,317,102)	2,478,051
	Royalty	1,547,198	757,630
	Depreciation and amortisation expense		
	Depreciation of non-current assets		
	Property, plant and equipment	3,438,473	3,923,868
	Buildings	279,698	261,757
	Amortisation of non-current assets		
	Mine, properties and development costs	7,132,933	6,760,371
	Total cost of sales	**59,228,471**	**57,714,749**
(b)	**Other expenses**		
	Employee benefits expense		
	Salaries and wages expense	2,735,829	1,862,681
	Directors' fees and other benefits	206,622	130,541
	Superannuation expense	264,921	190,904
	Other employee benefits	22,527	10,860
	Share-based payments	-	402,750
		3,229,899	2,597,736
	Other administration expenses		
	Consulting expenses	818,633	509,054
	Travel and accommodation expenses	299,142	204,257
	Operating lease costs	246,494	111,905
	Stamp duty compliance costs	3,482,288	-
	Administration costs	898,371	467,383
		5,744,928	1,292,599
	Depreciation expense		
	Depreciation of non-current assets		
	Property plant and equipment	322,116	41,319
	Total Administration expenses	**9,296,943**	**3,931,654**
	Other expenses		
	Care and maintenance costs	606,197	653,719
	Foreign exchange loss	28,524	24,315
		634,721	678,034
	Total other expenses	**9,931,664**	**4,609,688**
(c)	**Fair value change in financial instruments**		
	Fair value change in derivatives	378,916	434,906
	Total fair value change in financial instruments	**378,916**	**434,906**
(d)	**Finance costs**		
	Interest	319,682	275,717
	Unwinding of rehabilitation provision discount	37,447	110,557
	Total finance costs	**357,129**	**386,274**

8. INCOME TAX

		2013	2012
(a)	**Major components of income tax expense:**		
	Income Statement		
	Current income tax expense		
	Current income tax benefit	(9,305,880)	(4,828,469)
	(Recognition)/derecognition of carry forward losses and other temporary differences	(14,645,002)	12,731,288
	Adjustments in respect of current income tax of previous years	724,364	483,518
	Deferred income tax		
	Relating to recoupment of carry forward tax losses in current year	-	-
	Relating to origination and reversal of temporary differences in current year	13,130,744	(8,746,498)
	Adjustments in respect of deferred income tax of previous years	(535,996)	(530,570)
	Income tax benefit reported in the income statement	**(10,631,770)**	**(890,731)**
(b)	**Amounts charged or credited directly to equity**		
	Deferred income tax related to items charged or credited directly to equity		
	Unrealised gain on available-for-sale investments	-	(852,956)
	Share issue costs	-	(37,775)
	Income tax benefit reported in equity	**-**	**(890,731)**

(c) **A reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Consolidated Entity's applicable income tax rate is as follows:**

	2013	2012
Total accounting profit before income tax	**(1,959,456)**	**(44,608,373)**
At statutory income tax rate of 30% (2012: 30%)	(587,837)	(13,382,512)
Non-deductible items	1,145,836	206,747
Deductible items	3,266,865	(399,202)
Prior year tax benefits	188,368	(47,052)
Tax losses not brought to account	-	12,731,288
Recognition of tax losses not previously recognised	(14,645,002)	-
Income tax benefit reported in income the statement of comprehensive income	**(10,631,770)**	**(890,731)**

(d) Deferred income tax at 30 June relates to the following:

	Statement of financial position		Statement of comprehensive income	
	2013	**2012**	**2013**	**2012**
Deferred tax liabilities				
Exploration	(24,761,022)	(15,090,614)	(9,670,409)	1,274,881
Deferred mining	(7,938,641)	(6,524,102)	(1,414,539)	(1,727,931)
Mine site establishment and refurbishment	(6,479,428)	(4,283,758)	(2,195,670)	(2,133,512)
Research and development	-	-	-	794,545
Available-for-sale financial assets	3,560,318	(784,259)	4,344,577	6,462,094
Interest receivable	(252,244)	(216,161)	(36,083)	213,984
Inventories	(750,706)	(693,266)	(57,440)	44,944
Prepayments	(1,097)	-	(1,097)	-
Diesel rebate	9,926	(1,953)	11,879	2,444
Gross deferred tax liabilities	**(36,612,894)**	**(27,594,113)**		
Deferred tax assets				
Property, plant and equipment	3,175,170	2,507,887	667,283	(628,757)
Investment in associates	-	4,075,487	(4,075,487)	4,069,709
Derivative held for trading	175,666	130,472	45,194	130,472
Inventories	437,776	857,652	(419,876)	743,245
Borrowing costs	12,587	18,320	(5,733)	18,320
Accrued expenses	43,050	30,253	12,797	(7,397)
Provision for employee entitlements	621,604	430,968	190,636	77,309
Provision for fringe benefits tax	(667)	1,346	(2,013)	(2,175)
Provision for rehabilitation	889,323	878,090	11,233	(55,107)
Recognised tax losses	31,258,385	18,663,638		
Gross deferred tax assets	**36,612,894**	**27,594,113**		
Net deferred tax liabilities	-	-		
Deferred tax income expense/(benefit)			**(12,594,748)**	**9,277,068**

(e) Tax Consolidation

The Company and its 100% owned subsidiaries are a tax consolidated group with effect from 1 July 2004. Metals X Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payments obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(f) Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 'Income Taxes'.

The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Metals X Limited. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

(g) Unrecognised Losses

At 30 June 2013 there are unrecognised losses of $17,433,256 for the Consolidated Entity (2012: $21,446,488).

9. EARNINGS PER SHARE

		2013	2012
	The following reflects the income used in the basic and diluted earnings per share computations.		
(a)	**Profit/(loss) earnings used in calculating earnings per share**		
	For basic profit/(loss) earnings per share:		
	Net profit/(loss) from continuing operations attributable to ordinary equity holders of the parent	8,672,314	(43,923,687)
	Net profit/(loss) attributable to ordinary equity holders of the parent	**8,672,314**	**(43,923,687)**
	Basic profit/(loss) earnings per share (cents)	0.56	(3.31)
	For diluted profit/(loss) earnings per share:		
	Net profit/(loss)from continuing operations attributable to ordinary equity holders of the parent (from basic EPS)	8,672,314	(43,923,687)
	Net profit/(loss) attributable to ordinary equity holders of the parent	**8,672,314**	**(43,923,687)**
	Fully profit/(loss) diluted earnings per share (cents)	0.56	(3.31)
(b)	**Weighted average number of shares**		
	Weighted average number of ordinary shares for basic (loss)/earnings per share	1,552,612,389	1,327,661,216
	Effect of Dilution:		
	Share Options	200,000	-
	Weighted average number of ordinary shares adjusted for the effect of dilution	**1,552,812,389**	**1,327,661,216**

The Company had 36,890,000 (2012: 12,150,000) shares options on issue that are excluded from the calculation of diluted loss per share for the current financial period because they were anti-dilutive as their inclusion reduced the loss per share.

In the previous year the Company completed an on market buy-back of its ordinary shares acquiring 48,998,525 shares resulting in a reduction of the Company's ordinary shares.

There have been no transactions involving ordinary shares or potential ordinary shares since that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and before the completion of these financial statements.

10. DIVIDENDS PAID AND PROPOSED

	2013	2012
No dividends have been paid or declared by the Company during the financial period or up to the date of this report.		
The amount of franking credits available for the subsequent financial year are:		
• franking account balance as at the end of the financial year at 30% (2012: 30%)	5,930,931	5,930,931
• franking credits that will arise from the payment of income tax payable as at the end of the financial year	140,541	-
The amount of franking credits available for future reporting years	**6,071,472**	**5,930,931**

11. CASH AND CASH EQUIVALENTS

	2013	2012
Cash at bank and in hand	1,483,016	4,370,591
Short-term deposits	59,970,104	38,600,769
Total	**61,453,120**	**2,971,360**

CASH FLOWS RECONCILIATION

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

Cash at bank and in hand	1,483,016	4,370,591
Short-term deposits	59,970,104	38,600,769
	61,453,120	**42,971,360**

Reconciliation of net profit/(loss) after income tax to net cash flows from operating activities

Profit/(loss) after income tax	**8,672,314**	**(43,717,642)**
Income tax (benefit)/expense	(10,631,770)	(890,731)
Amortisation and depreciation	11,173,221	10,987,315
Impairment losses	5,537,406	32,555,323
Share based payments	-	402,750
Unwinding of rehabilitation provision discount	37,447	110,557
Fair value change in financial instruments	378,916	434,906
Exploration and evaluation expenditure written off	484,422	285,175
Profit on disposal of available-for-sale financial assets	(6,022,731)	-
Loss/(profit) on disposal of property, plant and equipment	127,199	375,245
Share of associates' net losses/(profits)	1,559,556	2,344,646
	11,315,980	**2,887,544**
Changes in assets and liabilities		
(Increase)/decrease in inventories	(2,744,244)	1,270,404
Decrease/(increase) in trade and other debtors	1,719,840	(1,100,923)
(Decrease)/increase in trade and other creditors	(1,017,254)	2,613,391
Increase/(decrease) in employee entitlements	646,634	272,266
Net cash flows from operating activities	**9,920,956**	**5,942,682**

12. TRADE AND OTHER RECEIVABLES (CURRENT)

	2013	2012
Trade receivables (a)	3,860,222	3,302,940
Other debtors (b)	8,580,813	10,061,421
	12,441,035	**13,364,361**

(a) Trade receivables are non-interest bearing and are generally on 30 - 90 day terms.

(b) Other debtors primarily relate to cash calls advanced to the Bluestone Mines Tasmania Joint Venture. Other debtors are non-interest bearing and are generally on 30 - 90 day terms.

(c) The carrying amounts disclosed above represent the fair value.

Collectibility of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

13. INVENTORIES (CURRENT)

	2013	2012
Ore stocks at net realisable value	91,705	140,767
Tin in circuit at cost	84,342	126,702
Tin concentrate at cost	12,334,358	9,578,898
Copper concentrate at cost	38,075	146,327
Stores and spares at cost	2,502,355	2,310,888
Provision for obsolete stores and spares	(408,032)	(405,025)
Total inventories at lower of cost and net realisable value	**14,642,803**	**11,898,557**

During the year was write-downs of $1,317,102 (2012: reversal of write-down $2,478,051) for the Consolidated Entity. This expense is included in cost of sales refer to note 7(a).

14. OTHER ASSETS (CURRENT)

	2013	2012
Prepayments	**472,039**	**203,334**

15. OTHER FINANCIAL ASSETS (CURRENT)

	2013	2012
Other financial asset (a)	-	900,000
Other receivables - cash on deposit - performance bond facility (b)	3,736,885	3,090,730
Acquisition of subsidiary - performance bond facilities (refer to note 37) (b)	3,149,000	-
	6,885,885	**3,990,730**

(a) Other financial assets are deposits used as security for the mining contractor at the Bluestone Mines Tasmania Joint Venture.

(b) The cash on deposit is interest bearing and is used by way of security for government performance bonds.

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS (NON-CURRENT)

	2013	2012
Shares - Australian listed	**2,650,277**	**29,689,236**

Available-for-sale investments consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate.

Listed shares

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

a. During the period the Company sold its interest (2012: 2.82%) in Independence, which is involved in the mining and exploration of base metals in Australia. Independence is listed on the Australian Securities Exchange. The Company recognised a profit of $6,022,731 on the sale of the investment in the current year.

   The fair value of the Company's investment at 30 June 2012 was $22,627,070 which was based on Independence's quoted share price. In the previous year the Company recognised an impairment of $20,134,813.

b. The Company has a 14.76% (2012: 15.33%) interest in MRC, which is involved in the mining and exploration of base metals in Australia and Mongolia. MRC is listed on the Australian Securities Exchange. At the end of the period the fair value of the Company's investment was $483,000 (2012: $2,730,000) which is based on MRC's quoted share price.

   At the end of the period the market value of the investment was lower than the carrying value, the Company has recognised an impairment of $2,247,000 (2012: $2,191,731).

c. The Company has a 4.99% (2012: 4.57%) interest in Reed, which is involved in the mining and exploration of base metals in Australia. Reed is listed on the Australian Securities Exchange. At the end of the period the fair value of the Company's investment was $934,000 (2012: $4,332,166) which is based on Reed's quoted share price.

   At the end of the period the market value of the investment was lower than the carrying value, the Company has recognised an impairment of $4,192,896 (2012: Nil).

d. The Company has a 13.73% (2012: 25.00%) interest in Aziana, which is involved in the exploration for base metals in Madagascar. Aziana is listed on the Australian Securities Exchange. At the end of the period the fair value of the Company's investment was $1,233,276 (2012: $4,484,640) which is based on Aziana's quoted share price. In the previous year the investment in Aziana was classified as an investment in an associate (refer to note 18).

   At the end of the period the market value of the investment was lower than the carrying value, the Company has recognised an impairment of $3,251,364 (2012: Nil).

17. DERIVATIVE FINANCIAL INSTRUMENTS (NON-CURRENT)

	2013	2012
Derivatives - held for trading	**70,073**	**448,989**

Derivatives - held for trading

The Consolidated Entity held 670,000 unlisted options in MRC which expired on 30 March 2013. These options were acquired for nil cost as part of a capital raising in MRC. On acquisition the options were valued using the binomial method. The fair value of the options were determined using the binomial method.

The Consolidated Entity holds 14,014,500 listed options in Aziana. These options were acquired for nil cost as part of the IPO of Aziana Limited. The fair value of the options for 30 June 2013 has been determined directly by reference to published price quotations in an active market.

18. INVESTMENTS IN ASSOCIATES (NON-CURRENT)

		2013	2012
(a)	**Investment details**		
	Listed		
	Westgold Resources Limited	-	15,755,563
	Aziana Limited	-	4,083,590
		-	**19,839,153**
(b)	**Movements in carrying value of the Consolidated Entity's investment in associates**		
	Westgold Resources Limited		
	At 1 July	15,755,563	22,801,823
	Additions	-	1,917,383
	Share of (losses)/profits after income tax	(1,600,863)	(1,735,613)
	Reversal of Impairment/(Impairment)	2,905,137	(8,064,451)
	Share of change in reserves	383,822	836,421
	Acquisition of subsidiary (refer to note 37)	(17,443,659)	-
	At 30 June	**-**	**15,755,563**
	Aziana Limited		
	At 1 July	4,083,590	-
	Transfer from available-for-sale financial assets at cost	-	2,000,000
	Additions	-	2,469,375
	Share of (losses)/profits after income tax	(624,419)	(609,033)
	Impairment	(1,834,472)	-
	Share of change in reserves	(223,249)	223,248
	Transfer to available-for-sale financial assets (refer to note 16)	(1,401,450)	-
	At 30 June	**-**	**4,083,590**

(c) Fair Value of investment in listed entities

(i) During the period the Company had a 26.98% (2012: 26.98%) interest in Westgold, which is involved in the exploration for base metals in Australia. On 17 October 2012 Westgold ceased to be an associate of Metals X and became a wholly-owned subsidiary of Metals X following a merger by scheme of arrangement (refer to note 37). At 30 June 2012 the Company's investment was $15,755,563 which represented cost plus post-acquisition changes in the Company's share of net assets of Westgold.

Based on the quoted share price the fair value of the Company's investment in Westgold at 30 June 2012 was $15,755,563. At the date of the merger the market value of the investment was higher than the carrying value, the Company has recognised a reversal of impairment of $2,905,137 (2012: $8,064,451 impairment).

(ii) As a result of the acquisition of Eternal Resources Limited by Aziana on 12 June 2013 the Company's interest in Aziana was diluted from 25% to 13.73%. In assessing the factors determining the classification of the investment in Aziana is was determined that it was no longer an investment in an associate and was reclassified as an available-for-sale financial asset (refer to note 16).

(d) Summarised financial information

The following table illustrates summarised financial information relating to the Consolidated Entity's associates:

	2013	2012
Share of the associate's statement of financial position:		
Current assets	-	4,141,927
Non-current assets	-	29,670,437
Current liabilities	-	(1,227,267)
Non-current liabilities	-	(851,410)
Equity	**-**	**31,733,687**
Share of associate's revenue and profit:		
Revenue	-	199,623
Net profit/(loss)	-	(1,962,594)

19. PROPERTY, PLANT & EQUIPMENT (NON-CURRENT)

	2013	2012
Plant and equipment		
At cost	33,772,108	38,328,974
Accumulated depreciation	(23,134,286)	(21,738,747)
Impairment	(3,942,962)	(3,942,962)
Net carrying amount	6,694,860	12,647,265
Land and buildings		
At cost	6,848,023	5,940,901
Accumulated depreciation	(1,543,467)	(1,203,560)
Net carrying amount	5,304,556	4,737,341
Capital work in progress at cost	568,300	1,372,563
Total property, plant and equipment	**12,567,716**	**18,757,169**
Movement in property, plant and equipment		
Plant and equipment		
At 1 July net of accumulated depreciation	12,647,265	10,909,881
Additions	3,004,544	6,528,593
Disposals	(5,657,838)	(826,022)
Acquisition of subsidiary (refer to note 37)	461,478	-
Depreciation charge for the year	(3,760,589)	(3,965,187)
At 30 June net of accumulated depreciation	**6,694,860**	**12,647,265**
Land and buildings		
At 1 July net of accumulated depreciation	4,737,341	4,944,930
Additions	305,186	54,168
Disposals	-	-
Acquisition of subsidiary (refer to note 37)	541,727	-
Depreciation charge for the year	(279,698)	(261,757)
At 30 June net of accumulated depreciation	**5,304,556**	**4,737,341**
Capital work in progress		
At 1 July net of accumulated depreciation	1,372,563	683,835
Additions	3,826,802	7,783,760
Acquisition of subsidiary (refer to note 37)	17,375	-
Transfer to mine properties & development	(1,338,710)	(512,271)
Transfer to plant and equipment	(3,004,544)	(6,528,593)
Transfer to land and buildings	(305,186)	(54,168)
At 30 June	**568,300**	**1,372,563**

The carrying value of plant and equipment held under finance leases and hire purchase contracts at 30 June 2013 is $202,369 (2012: $4,953,949). Value of plant and equipment purchased under finance leases and hire purchase contracts for 30 June 2013 financial year is $1,695,902 (2012: $5,258,469).

Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase lease liabilities (refer to notes 23 and 26).

20. MINE PROPERTY AND DEVELOPMENT (NON-CURRENT)

	2013	2012
Development areas at cost		
Mine site establishment	69,355,370	61,561,433
Net carrying amount	69,355,370	61,561,433
Mine site establishment		
Mine site establishment	35,750,677	34,411,967
Accumulated amortisation	(27,485,306)	(26,807,434)
Impairment	(4,322,330)	(4,322,330)
Net carrying amount	3,943,041	3,282,203
Mine capital development	67,606,651	56,512,971
Accumulated amortisation	(33,564,998)	(27,109,937)
Impairment	(7,166,041)	(7,166,041)
Net carrying amount	26,875,612	22,236,993
Total mine properties and development	**100,174,023**	**87,080,629**
Movement in mine properties and development		
Development areas at cost		
At 1 July	61,561,433	59,908,605
Additions	5,041,398	1,652,828
Acquisition of subsidiary (refer to note 37)	2,752,539	-
At 30 June	**69,355,370**	**61,561,433**
Mine site establishment		
At 1 July net of accumulated amortisation	3,282,203	1,406,520
Additions	-	-
Transfer from capital work in progress (refer to note 19)	1,338,710	512,271
Transfer from intangible development projects	-	2,648,484
Increase/(decrease) in rehabilitation provision	-	(294,245)
Amortisation charge for the year	(677,872)	(990,827)
At 30 June net of accumulated amortisation	**3,943,041**	**3,282,203**
Mine capital development		
At 1 July net of accumulated amortisation	22,236,993	16,573,774
Additions	9,925,005	8,395,281
Transfer from exploration and evaluation expenditure (refer to note 21)	1,168,675	3,037,482
Amortisation charge for the year	(6,455,061)	(5,769,544)
At 30 June net of accumulated amortisation	**26,875,612**	**22,236,993**

21. EXPLORATION EXPENDITURE (NON-CURRENT)

	2013	2012
Exploration and evaluation costs carried forward in respect of mining areas of interest		
Pre-production areas		
At Cost	81,867,452	1,675,900
Accumulated impairment	-	-
Net carrying amount	**81,867,452**	**1,675,900**
Movement in deferred exploration and evaluation expenditure		
At 1 July net of accumulated impairment	1,675,900	827,947
Additions	2,077,793	4,170,610
Acquisition of subsidiary (refer to note 37)	79,766,856	-
Transferred to mine capital development (refer to note 20)	(1,168,675)	(3,037,482)
Expenditure written off	(484,422)	(285,175)
At 30 June net of accumulated impairment	**81,867,452**	**1,675,900**

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not recognised pending the commencement of production.

During the year a review was undertaken for each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. In assessing the carrying value of all of the Consolidated Entity's projects certain expenditure on exploration and evaluation of mineral resources has not led to the discovery of commercially viable quantities of mineral resources. As a result exploration and evaluation expenditure of $484,422 (2012: $285,175) was written off to the statement of comprehensive income.

22. TRADE AND OTHER PAYABLES (CURRENT)

	2013	2012
Trade creditors (a)	2,617,809	5,235,688
Sundry creditors and accruals (b)	8,490,461	3,084,813
	11,108,270	**8,320,501**

(a) Trade creditors are non-interest bearing and generally on 30 day terms.

(b) Sundry creditors and accruals are non-interest bearing and generally on 30 day terms.

Due to the short term nature of these payables, their carrying value approximates their fair value.

23. INTEREST BEARING LOANS AND BORROWINGS (CURRENT)

	2013	2012
Lease liability	**67,900**	**1,507,488**

Represents finance leases which have repayment terms of 36 months.

24. PROVISIONS (CURRENT)

	2013	2012
Provision for annual leave	1,288,538	955,247
Provision for fringe benefits tax payable	(2,222)	4,485
	1,286,316	**959,732**

The nature of the provisions are described in note 2(ad).

25. PROVISIONS (NON-CURRENT)

	2013	2012
Provision for long service leave (a)	758,250	438,200
Provision for Rehabilitation (b)	6,113,412	2,926,965
	6,871,662	**3,365,165**

(a) The nature of the provisions are described in note 2(ad).

(b) **Provision for rehabilitation**

Environmental obligations associated with the retirement or disposal of mining properties and/or of exploration activities are recognised when the disturbance occurs and are based on the extent of the damage incurred. The provision is measured as the present value of the future expenditure. The rehabilitation liability is remeasured at each reporting period in line with the change in the time value of money (recognised as an interest expense in the statement of comprehensive income and an increase in the provision), and additional disturbances/change in the rehabilitation cost are recognised as additions/changes to the corresponding asset and rehabilitation liability.

(c) **Movements in provision for rehabilitation**

At 1 July	2,926,965	3,110,653
Adjustment due to revised conditions	-	(294,245)
Unwind of discount	37,447	110,557
Acquisition of subsidiary (refer to note 37)	3,149,000	-
At 30 June	**6,113,412**	**2,926,965**

26. INTEREST BEARING LOANS AND BORROWINGS (NON-CURRENT)

	2013	2012
Lease liability	**119,913**	**2,942,774**

Represents finance leases which have repayment terms of 36 months from inception.

The carrying amount of the Consolidated Entity's non-current loans and borrowings approximate their fair value. The difference between the carrying amount and fair value is immaterial.

Financing facilities available

At reporting date, the following financing facilities were available:

Total facilities		
- finance lease facility	187,813	4,450,262
Facilities used at reporting date		
- finance lease facility	187,813	4,450,262

Assets pledged as security:

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:

Non-current		
Finance lease		
Plant and equipment	202,369	4,953,949
Total non-current assets pledged as security	**202,369**	**4,953,949**

Plant and equipment assets are pledged against lease liabilities for the term of the lease period.

27. ISSUED CAPITAL

		2013	2012
(a)	**Ordinary Shares**		
	Issued and fully paid	**330,962,263**	**279,086,186**

		Number	$
(b)	**Movements in ordinary shares on issue**	**Number**	**$**
	At 1 July 2011	1,365,661,782	290,056,226
	Deferred tax asset recognised on equity transactions	-	(37,775)
	Share buy-back	(48,998,525)	(10,932,265)
	At 30 June 2012	**1,316,663,257**	**279,086,186**
	Acquisition of subsidiary (refer to note 37)	335,102,853	51,940,942
	Share issue costs	-	(64,865)
	At 30 June 2013	**1,651,766,110**	**330,962,263**

(c) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of winding up the Company the holders are entitled to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par share values. Accordingly, the Parent does not have authorised capital nor par value in respect of its issued shares.

(d) Escrow Restrictions

There are no current escrow restrictions on the issued capital of the Company.

(e) Options on issue

Unissued ordinary shares of the company under option at the date of this report are as follows:

Type	Expiry Date	Exercise Price	Number of options
Unlisted**	30 November 2013	13 cents	2,800,000
Unlisted*	30 November 2013	32 cents	1,000,000
Unlisted**	30 November 2014	30 cents	4,750,000
Unlisted*	30 November 2013	19 cents	550,000
Unlisted*	31 December 2013	18 cents	19,250,000
Unlisted*	11 January 2014	29 cents	1,127,500
Unlisted*	3 July 2014	26 cents	2,007,500
Unlisted*	15 August 2014	26 cents	3,300,000
Unlisted*	24 August 2014	20 cents	440,000
Unlisted*	1 November 2014	21 cents	1,100,000
Unlisted*	25 March 2015	44 cents	715,000
Total			**37,040,000**

* The above options are exercisable at any time on or before the expiry date.

** These options were issued pursuant to the Metals X Limited Employee Option Scheme and can only be exercised pursuant to the scheme rules.

Share options carry no right to dividends and no voting rights.

(f) Option conversions

There were no option conversions during the financial year.

28. ACCUMULATED LOSSES

	2013	2012
At 1 July	(85,603,878)	(41,680,191)
Net profit in current period attributable to members of the parent entity	8,672,314	(43,923,687)
At 30 June	**(76,931,564)**	**(85,603,878)**

29. RESERVES

	Option premium reserve	Net unrealised gains reserve	Total
At 30 June 2011	18,326,178	(2,729,920)	(15,596,258)
Share based payments	402,750	-	402,750
Share of change in equity of associate	-	1,059,669	1,059,669
Non-controlling interest share of net assets	-	185,173	185,173
Fair value change in available-for-sale financial assets	-	2,950,557	2,950,557
Tax effect on fair value change in available-for-sale financial assets	-	(852,957)	(852,957)
At 30 June 2012	**18,728,928**	**612,522**	**19,341,450**
Share based payments	-	-	-
Share of change in equity of associate	-	(505,153)	(505,153)
Fair value change in available-for-sale financial assets	-	(107,369)	(107,369)
Tax effect on fair value change in available-for-sale financial assets	-	-	-
Acquisition of subsidiary (refer to note 37)	1,010,736	-	1,010,736
At 30 June 2013	**19,739,664**	**-**	**19,739,664**

Nature and purpose of reserves

Net unrealised gains reserve – This reserve records the movements in the fair value of available-for-sale investments, the movements in non-controlling interests and the share of changes in equity of associates.

Option premium reserve – This reserve is used to record the value of options issued.

The option premium reserve relates to the issue of:

Details of issue	Number of options	Fair value per option	Value
Rights issue - capital raising cost	110,540,000	0.057	6,312,054
Employee option scheme	1,890,000	0.102	191,880
Employee option scheme	400,000	0.414	165,524
Employee option scheme	2,200,000	0.114	250,300
Employee option scheme	400,000	0.168	67,272
Employee option scheme	3,900,000	0.122	475,134
Employee option scheme	1,700,000	0.084	142,260
Employee option scheme	825,000	0.119	98,434
Employee option scheme	1,000,000	0.150	150,421
Employee option scheme	2,850,000	0.050	142,111
Employee option scheme	2,350,000	0.083	195,147
Share-based payment - director	4,000,000	0.174	694,563
Share-based payment - director	2,500,000	0.048	119,432
Share-based payment - director	2,500,000	0.083	207,603
Share-based payment - contractor	400,000	0.168	67,272
Share-based payment - contractor	1,000,000	0.120	119,631
Share-based payment - contractor	1,000,000	0.103	103,385
Placement fee - capital raising cost	2,000,000	0.049	97,288
Convertible notes conversion	67,500,000	0.111	7,463,700
Acquisition of a subsidiary	16,750,000	0.099	1,665,517
Acquisition of a subsidiary	32,615,000	0.031	1,010,736
Total	**258,320,000**		**19,739,664**

The options have been valued using a Black & Scholes model, which takes account of factors including the options exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date and the expected life of the option.

30. SHARE-BASED PAYMENTS

	2013	2012
(a) Recognised share-based payment expense		
The expense recognised for services received during the year is shown in the table below:		
Expense arising from equity-settled share-based payments	**-**	**402,750**

The share-based payment plan is described below. There have been no cancellations or modifications to the plan during 2013 and 2012.

(b) Long Term Incentive Plan

The Consolidated Entity has a Long term Incentive Plan ("LTIP") for the granting of non-transferable options to senior executives and other staff members of the Consolidated Entity in accordance with guidelines established by the Board of the Company.

The options issued under the LTIP will vest when the following conditions are met:

i. The LTIP has no direct performance requirements but has specified time restrictions on the exercise of options.

ii. The director or senior executive or other staff member continues to be employed by the Consolidated Entity on the first anniversary of the grant date or as determined by the Board of Directors.

Other relevant terms and conditions applicable to the options granted under LTIP include:

i. The options are issued for nil consideration;

ii. The options will not be quoted on the ASX;

iii. The exercise price of the options is equal to 120% of the weighted average closing sale price of the Company's fully paid ordinary shares on ASX over the 5 trading days immediately preceding the day on which the Board resolves to offer that Option;

iv. Options vest after one year or as determined by the Board of Directors;

v. Any options that are not exercised by the fourth anniversary of their grant date will lapse;

vi. The options will lapse after six months if a person ceases employment with the Consolidated Entity;

vii. Upon exercise, these options will be settled in ordinary fully paid shares of the Company; and

viii. The Board of Directors may alter, delete or add to the terms and conditions of the LTIP at any time.

(c) Summary of options granted under the Long Term Incentive Plan

The following table illustrates the number and weighted average exercise price (WAEP) of, and movements in, share options issued under the LTIP.

	2013 Number	2013 WAEP	2012 Number	2012 WAEP
Outstanding at the beginning of the year	6,150,000	0.247	4,775,000	0.240
Granted during the year	-	-	2,350,000	0.300
Exercised during the year	-	-	-	-
Lapsed/cancelled during the year	(1,050,000)	0.443	(975,000)	0.341
Outstanding at the year end	**5,100,000**	**0.207**	**6,150,000**	**0.247**
Exercisable at the year end	**5,100,000**	**0.207**	**6,150,000**	**0.247**

The outstanding balance as at 30 June 2013 is represented by the following table:

Grant date	Vesting date	Expiry date	Exercise price	Options granted	Options lapsed/ cancelled	Options exercised	Number of options at end of period	
							On issue	Vested
17/07/08	17/07/09	31/07/12	45 cents	1,250,000	(1,250,000)	-	-	-
27/11/09	06/07/10	30/11/13	13 cents	3,100,000	(300,000)	-	2,800,000	2,800,000
29/11/11	29/11/11	29/11/14	30 cents	2,350,000	(50,000)	-	2,300,000	2,300,000
Total				**6,700,000**	**(1,600,000)**	**-**	**5,100,000**	**5,100,000**

30. SHARE-BASED PAYMENTS (CONTINUED)

(d) Weighted average remaining contractual life

The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 0.87 years (2012: 1.58 years).

(e) Range of exercise price

The range of exercise prices for LTIP options outstanding at the end of the year was $0.13 - $0.30 (2012: $0.13 - $0.45).

As the range of prices is wide, refer to section (c) above for further information in assessing the number and timing of additional shares that may be issued and the cash that may be received upon exercise of those options.

(f) Weighted average fair value

The weighted average fair value of options granted during the year was nil (2012: $0.08).

(g) Option pricing model

The fair value of the equity-settled share options granted under the LTIP is estimated at the date of grant using a Black & Scholes model, which takes into account factors including the options exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date and the expected life of the option.

The following table gives the assumptions made in determining the fair value of the options granted:

	2013	2012	2011
Grant date	**Nil**	**29 November 2012**	**Nil**
Expected Volatility (%)	n/a	60%	n/a
Risk-free interest rate (%)	n/a	3.15%	n/a
Expected life of options (yrs)	n/a	2.5	n/a
Options exercise price ($)	n/a	$0.30	n/a
Share price at grant date ($)	n/a	$0.25	n/a
Fair value at grant date ($)	n/a	$0.083	n/a

The effects of early exercise have been incorporated into the calculations by using an expected life for the option that is shorter than the contractual life based on historical exercise behaviour, which is not necessarily indicative of exercise patterns that may occur in the future. The expected volatility was determined using a historical sample of the Company's share price over a 12 month period. The resulting expected volatility therefore reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

(h) Directors options

In addition to the LTIP, the Company has issued options to Directors.

Other relevant terms and conditions applicable to the options granted to Directors include:

i. The options issued to Directors vest immediately;

ii. The option issue has no direct performance requirements;

iii. The options are issued for nil consideration;

iv. The options will not be quoted on the ASX;

v. The exercise price of the options is equal to 120% of the weighted average closing sale price of the Company's fully paid ordinary shares on ASX over the 20 trading days immediately preceding the day on which the members resolve to offer that Option;

vi. Any options that are not exercised by the third anniversary of their grant date will lapse; and

vii. Upon exercise, these options will be settled in ordinary fully paid shares of the Company.

(i) Summary of options granted to Directors

The following table illustrates the number and weighted average (WAEP) of, and movements in, share options issued to Directors:

	2013 Number	2013 WAEP	2012 Number	2012 WAEP
Outstanding at the beginning of the year	5,000,000	0.220	2,500,000	0.140
Granted during the year	-	-	2,500,000	0.300
Exercised during the year	-	-	-	-
Lapsed/cancelled during the year	(2,500,000)	0.140	-	-
Outstanding at the year end	**2,500,000**	**0.300**	**5,000,000**	**0.220**
Exercisable at the end of the year	**2,500,000**	**0.300**	**5,000,000**	**0.220**

The outstanding balance as at 30 June 2013 is represented by the following table:

Grant date	Vesting date	Expiry date	Exercise price	Options granted	Options lapsed/ cancelled	Options exercised	Number of options at end of period	
							On issue	Vested
27/11/09	27/11/09	30/11/12	14 cents	2,500,000	(2,500,000)	-	-	-
29/11/11	29/11/11	29/11/14	30 cents	2,500,000	-	-	2,500,000	2,500,000
Total				**5,000,000**	**(2,500,000)**	**-**	**2,500,000**	**2,500,000**

(j) Weighted average remaining contractual life

The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 1.42 years (2012: 2.92).

(k) Range of exercise price

The exercise price for options outstanding at the end of the year was $0.30 (2012: $0.14 - $0.30).

(l) Weighted average fair value

The weighted average fair value of options granted during the year was nil (2012: $0.08).

(m) Contractors options

In addition to the LTIP, the Company has issued options to Contractors.

Other relevant terms and conditions applicable to the options granted to Contractors include:

i. The options issued to Contractors vest immediately;

ii. The option issue has no direct performance requirements;

iii. The options are issued for nil consideration;

iv. The options will not be quoted on the ASX;

v. The exercise price of the options is equal to 120% of the weighted average closing sale price of the Company's fully paid ordinary shares on ASX over the 5 trading days immediately preceding the day on which the members resolve to offer that Option;

vi. Any options that are not exercised by the expiry date as determined by the Directors at their grant date will lapse; and

vii. Upon exercise, these options will be settled in ordinary fully paid shares of the Company.

30. SHARE-BASED PAYMENTS (CONTINUED)

(n) Summary of options granted to Contractors

The following table illustrates the number and weighted average (WAEP) of, and movements in, share options issued to Contractors:

	2013 Number	2013 WAEP	2012 Number	2012 WAEP
Outstanding at the beginning of the year	1,000,000	0.320	1,000,000	0.320
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed/cancelled during the year	-	-	-	-
Outstanding at the year end	**1,000,000**	**0.320**	**1,000,000**	**0.320**
Exercisable at the end of the year	**1,000,000**	**0.320**	**1,000,000**	**0.320**

The outstanding balance as at 30 June 2013 is represented by the following table:

Grant date	Vesting date	Expiry date	Exercise price	Options granted	Options lapsed/ cancelled	Options exercised	Number of options at end of period	
							On issue	Vested
01/12/10	01/12/10	30/11/13	32 cents	1,000,000	-	-	1,000,000	1,000,000
Total				**1,000,000**	**-**	**-**	**1,000,000**	**1,000,000**

(o) Weighted average remaining contractual life

The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 0.42 years (2012: 1.42).

(p) Range of exercise price

The exercise price for options outstanding at the end of the year was $0.32 (2012: $0.32).

(q) Weighted average fair value

The weighted average fair value of options granted during the year was nil (2012: $0.10).

31. COMMITMENTS

(a) Capital commitments

Commitments relating to jointly controlled assets

At 30 June 2013 the Consolidated Entity has capital commitments that relate principally to the purchase and maintenance of plant and equipment for the Bluestone Mines Tasmania Joint Venture.

Capital expenditure commitments

Estimated capital expenditure contracted for at reporting date, but not recognised as liabilities in respect of the Bluestone Mines Tasmania Joint Venture.

	2013	2012
- Within one year	**454,301**	**299,457**

(b) Operating lease commitments - Company as lessee

The Company has entered into commercial property leases on office rental and remote area residential accommodation. The Company has entered into commercial leases on office equipment. These operating leases have an average life of between one month and three years with renewal options included in the contracts. The Company also has commercial leases over the tenements in which the mining operations are located. These tenement leases have a life of between six months and twenty one years. In order to maintain current rights to explore and mine the tenements the Consolidated Entity is required to perform minimum exploration work to meet the expenditure requirements specified by the relevant state governing body. There are no restrictions placed on the lessee by entering into these contracts. The operating lease commitments include Joint Venture commitments as disclosed in note 35.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

(i) Property leases as lessee:		
- Within one year	270,415	261,931
- After one year but not more than five years	254,302	521,954
	524,717	**783,885**
(ii) Equipment leases:		
- Within one year	9,984	18,013
- After one year but not more than five years	7,790	17,774
	17,774	**35,787**
(iii) Mineral tenement leases:		
- Within one year	925,208	306,236
- After one year but not more than five years	2,512,278	854,356
- After more than five years	4,387,251	391,850
	7,824,737	**1,552,442**

(c) Operating lease commitments - Company as lessor

The Company has entered into a commercial sub-lease on the above mentioned office space.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

(i) Property leases as lessor:		
- Within one year	3,966	18,013
- After one year but not more than five years	-	17,774
	3,966	**35,787**

31. COMMITMENTS (CONTINUED)

(d) Finance lease and hire purchase commitments

The Company has finance leases and hire purchase contracts for various items of plant and machinery. The leases do have terms of renewal but no escalation clauses. Renewals are at the option of the specific entity that holds the lease. The finance and hire purchase contracts have an average term of 36 months with the right to purchase the asset at the completion of the lease term for a pre-agreed amount.

Future minimum lease payments under finance leases and hire purchase contracts together with the present value of the minimum lease payments are as follows:

	2013	
	Minimum lease payments	**Present value of lease payments**
Within one year	73,369	67,900
After one year but not more than five years	121,969	119,913
Total minimum lease payments	195,338	187,813
Less amounts representing finance charges	(7,525)	-
Present value of minimum lease payments	**187,813**	**187,813**

	2012	
	Minimum lease payments	**Present value of lease payments**
Within one year	1,741,449	1,507,488
After one year but not more than five years	3,248,508	2,942,774
Total minimum lease payments	4,989,957	4,450,262
Less amounts representing finance charges	(539,695)	-
Present value of minimum lease payments	**4,450,262**	**4,450,262**

	2013	**2012**
Included in the financial statements as:		
Current interest-bearing loans and borrowings (note 23)	67,900	1,507,488
Non-current interest-bearing loans and borrowings (note 26)	119,913	2,942,774
Total included in interest-bearing loans and borrowings	**187,813**	**4,450,262**

The weighted average interest rate impact in the leases for the Company is 6.29% (2012: 5.70%).

(e) Other commitments

The Consolidated Entity has obligations for various expenditures such as royalties, production based payments and exploration expenditure. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business. The details of these obligations are not provided.

32. CONTINGENT ASSETS AND LIABILITIES

(i) Bank guarantees

The Consolidated Entity has a number of bank guarantees in favour of various government authorities and service providers. The bank guarantees primarily relate to environmental and rehabilitation bonds at the various projects. The total amount of these guarantees at the reporting date is $6,885,885 (2012: $3,090,730). These bank guarantees a fully secured by cash on term deposit.

(ii) Clawback agreement

AngloGold Ashanti holds the right to earn back a 75% interest in any individual resource defined within the tenements acquired from AngloGold by Westgold (with the exception of Rover 1 and Explorer 108), under specific terms, conditions, specified payments and performance hurdles.

33. EVENTS AFTER THE BALANCE SHEET DATE

On 14 August 2013 Metals X finalised the acquisition of Rio Tinto Exploration Pty Ltd's interests in the Mt Davies tenement EL 5184 for $500,000 and 870,000 shares in Metals X. The tenement was previously subject to a farm-in agreement in which Metals X was earning a 51% interest. The acquisition consolidates Metals X's ownership of the Wingellina layered intrusive complex in the Central Musgrave Ranges.

On 4 September 2013 Metals X announced that following a substantial campaign of drilling and associated resource development work, the Total Mineral Resource at the Renison Tin Project has been significantly upgraded. The Total Mineral Resource of tin metal at the Renison Tin Project has increased by 31% to 11.6Mt at 1.76% Sn, containing approximately 204,000 tonnes of tin metal.

34. AUDITOR'S REMUNERATION

	2013	2012
Amounts received or due and receivable by Ernst & Young (Australia) for:		
An audit or review of financial reports of the entity and any other entity within the Consolidated Entity	228,345	177,102
Other services in relation to the entity and any other entity in the Consolidated Entity:		
- tax compliance	77,860	57,350
- stamp duty compliance	38,181	-
Total auditor remuneration	**344,386**	**234,452**

35. INTEREST IN A JOINTLY CONTROLLED OPERATION

The Consolidated Entity has a 50% interest in the Renison Tin Project which is a jointly controlled operation called the Bluestone Mines Tasmania Joint Venture.

The Consolidated Entity is entitled to 50% of the operation's production. The Consolidated Entity's interest in the assets and liabilities of the jointly controlled operation are included in the consolidated statement of financial position.

		2013	2012
(a)	**Share of joint venture's statement of financial position**		
	Current assets	26,397,984	25,389,398
	Non-current assets	39,889,671	42,988,737
	Current liabilities	(8,754,317)	(8,618,637)
	Non-current liabilities	(2,179,858)	(4,968,480)
	Equity	**55,353,480**	**54,791,018**
(b)	**Share of joint venture's statement of financial position**		
	Revenue	65,970,052	48,826,400
	Cost of sales	(59,286,529)	(57,778,691)
	Finance costs	(266,471)	(262,598)
	Profit before tax	6,417,052	(9,214,889)
	Income tax expense	(693,248)	(10,825,114)
	Profit for the year from continuing operations	**5,723,804**	**(20,040,003)**

		2013	2012
(c)	**Commitments relating to the jointly controlled assets**		
	Share of capital commitments (refer to note 31(a))	454,301	299,457

Share of operating lease commitments (refer to note 31(b))

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

		2013	2012
(i)	**Property leases as lessee:**		
	- Within one year	884	2,694
		884	**2,694**
(ii)	**Equipment leases:**		
	- Within one year	5,735	13,764
	- After one year but not more than five years	-	5,735
		5,735	**19,499**
(iii)	**Mineral tenement leases:**		
	- Within one year	202,776	189,619
	- After one year but not more than five years	413,906	576,341
	- After more than five years	-	-
		616,682	**765,960**

(d) Impairment

No assets employed in the jointly controlled operation were impaired during the year (2012: nil).

36. SEGMENTS

For management purposes, the Consolidated entity is organised into operating segments determined by the similarity of the mineral being mined or explored, as these are the sources of the Consolidated Entity's major risks and have the most effect on rates of return

The Consolidated Entity comprises the following reportable segments:

- Tin Projects: Mining, treatment and marketing of tin concentrate.
- Nickel Projects: Exploration and development of nickel assets.
- Gold Projects: Exploration and development of gold assets.

Executive management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, consolidated financing (including finance costs and finance income) and income taxes are managed on a consolidated basis and are not allocated to operating segments.

The Consolidated Entity does not have any inter-entity sales. All other adjustments and eliminations are part of the detailed reconciliations presented further below.

The following table presents revenue and profit information for reportable segments for the years ended 30 June 2013 and 30 June 2012.

Year ended 30 June 2013	Tin Projects	Nickel Projects	Gold Projects	Adjustments and eliminations	Total
Revenue					
External customers	65,915,677	-	-	-	65,915,677
Other revenue	-	-	-	2,800,695	2,800,695
Total revenue	**65,915,677**	**-**	**-**	**2,800,695**	**68,716,372**
Results					
Depreciation and amortisation	(10,851,104)	(103,258)	(175,907)	(42,952)	(11,173,221)
Exploration and evaluation expenditure written off	(75,434)	-	(408,988)	-	(484,422)
Segment profit/(loss)	**6,375,960**	**37,520**	**10,932,720**	**3,679,675**	**21,025,875**
Operating assets	**67,768,142**	**67,331,291**	**89,035,653**	**66,368,988**	**290,504,074**
Operating liabilities	**(11,886,378)**	**(634,503)**	**(3,632,366)**	**(3,300,814)**	**(19,454,061)**
Other disclosures					
Investments in associates	-	-	-	-	-
Capital expenditure	(11,786,378)	(4,878,513)	(2,479,323)	(932,985)	(20,077,199)

36. SEGMENTS (CONTINUED)

Year ended 30 June 2012	Tin Projects	Nickel Projects	Gold Projects	Adjustments and eliminations	Total
Revenue					
External customers	48,915,245	-	-	-	48,915,245
Other revenue	-	-	-	3,991,766	3,991,766
Total segment revenue	**48,915,245**	**-**	**-**	**3,991,766**	**52,907,011**
Results					
Depreciation and amortisation	(10,837,073)	(108,926)	-	(41,316)	(10,987,315)
Exploration and evaluation expenditure written off	(137,651)	(147,524)	-	-	(285,175)
Segment profit/(loss)	**(8,384,195)**	**(127,300)**	**-**	**5,785,110**	**(2,726,385)**
Operating assets	**69,859,039**	**62,469,005**	**-**	**67,453,149**	**199,781,193**
Operating liabilities	**(14,525,083)**	**(206,699)**	**-**	**(2,363,878)**	**(17,095,660)**
Other disclosures					
Investments in associates	-	-	-	19,839,153	19,839,153
Capital expenditure	(19,463,962)	(2,161,275)	-	(4,210,744)	(25,835,981)

Adjustments and eliminations

Finance income and costs, fair value gains and losses on financial assets and share of losses of associates are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment, mine properties and development and exploration and evaluation expenditure including assets from the acquisition of subsidiaries.

Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are not allocated to operating segments.

(a) Reconciliation of profit/(loss)	2013	2012
Segment profit/(loss)	**21,025,875**	**(2,726,385)**
Income tax expense at 30% (2012: 30%)	(10,631,770)	(890,731)
Finance costs	(357,129)	(386,274)
Corporate expenses	(9,931,664)	(4,609,688)
Reversal of impairment/(impairment) of assets	1,070,664	(8,064,451)
Share of loss of associates	(1,559,556)	(2,344,646)
Exploration and evaluation expenditure written off	(484,422)	(285,175)
Fair value gain on financial instruments	(378,916)	(434,906)
Impairment loss on available-for-sale financial assets	(6,608,070)	(24,490,872)
Net gains on disposal of available-for-sale investments	6,022,731	-
Net gain on disposal of assets	(127,199)	(375,245)
Total consolidated profit/(loss)	**(1,959,456)**	**(44,608,373)**

(b) Reconciliation of assets

Segment operating assets	**290,504,074**	**199,781,193**
Available-for-sale assets	2,650,277	29,689,236
Derivative assets	70,073	448,989
Total consolidated operating assets	**293,224,424**	**229,919,418**

(c) Reconciliation of liabilities

Segment operating liabilities	19,454,061	17,095,660
Total liabilities per the statement of financial position	**19,454,061**	**17,095,660**

(d) Segment revenue from external customers

Total segment revenue	**68,716,372**	**52,907,011**
Other revenue from continuing operations	-	-
Total revenue	**68,716,372**	**52,907,011**

Revenue from external customers by geographical locations is detailed below. Revenue is attributable to geographical location based on the location of the customers. The Company does not have external revenues from external customers that are attributable to any foreign country other than as shown.

Australia	5,910,381	3,991,766
South East Asia	62,805,991	48,915,245
Total revenue	**68,716,372**	**52,907,011**

The Consolidated Entity only has one customer to which it provides both products and services. The Consolidated Entity sends its tin concentrate to a South East Asian customer that accounts for 91% of external revenue (2012: 92%).

37. BUSINESS COMBINATION

Acquisition of Westgold Resources Limited

On 14 May 2012 Metals X announced a merger by scheme of arrangement to acquire all of the issued share capital of Westgold Resources Limited, a publicly listed Australian company which owns gold projects in Western Australia and the Northern Territory. The consideration for the merger was on a scrip for scrip basis, being 11 new Metals X shares for every 10 Westgold shares held and 11 new Metals X options for every 10 Westgold options held. The merger was successful and resulted in Metals X increasing its ownership of Westgold from 26.98% to 100%. The completion date of the acquisition was 17 October 2012.

In the period from acquisition to 30 June 2013 Westgold contributed interest income of $89,789 and a loss of $1,370,011 to the Consolidated Entity's results. If the acquisition had occurred on 1 July 2012, consolidated revenue and consolidated profit before income tax for the period ended 30 June 2013 would have been $171,822 and $3,117,321 respectively.

The following summarises the major classes of consideration transferred and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

Purchase consideration	
Equity instruments issued at fair value (335,102,853 ordinary shares)	51,940,942
Replacement options issued	1,010,736
	52,951,678

Equity instruments issued

The fair value of the ordinary shares issued was based on the listed share price of the Company at 17 October 2012 of $0.155 per share.

Replacement options issued

The terms of the acquisition required the Company to issue replacement options to the Westgold Resources Limited option holders. The terms and conditions of the replacement options are as follows:

Grant Date	Vesting Date	Expiry Date	Exercise Price	Number
17 Oct 2012	17 Oct 2012	8 Nov 2012	$0.41	275,000
17 Oct 2012	17 Oct 2012	25 Mar 2015	$0.44	715,000
17 Oct 2012	17 Oct 2012	30 Nov 2012	$0.19	2,750,000
17 Oct 2012	17 Oct 2012	7 Jan 2013	$0.18	1,100,000
17 Oct 2012	17 Oct 2012	30 Nov 2013	$0.19	550,000
17 Oct 2012	17 Oct 2012	31 Dec 2013	$0.18	19,250,000
17 Oct 2012	17 Oct 2012	11 Jan 2014	$0.29	1,127,500
17 Oct 2012	17 Oct 2012	24 Aug 2014	$0.20	440,000
17 Oct 2012	17 Oct 2012	3 Jul 2014	$0.26	2,007,500
17 Oct 2012	17 Oct 2012	15 Aug 2014	$0.26	3,300,000
17 Oct 2012	17 Oct 2012	1 Nov 2014	$0.21	1,100,000

The market based value of the new options at the acquisition date of 17 October 2012 was $1,010,736. All options are vested and exercisable immediately.

Assets acquired and liabilities assumed

The provisional fair values of the identifiable assets and liabilities of Westgold Resources Limited as at the date of acquisition are:

Assets	Fair value recognised on acquisition
Cash and cash equivalents	1,126,934
Trade and other receivables	147,436
Other assets	17,784
Other financial assets	3,149,000
Property, plant and equipment	1,020,580
Mine properties and development costs	2,752,539
Exploration and evaluation expenditure	79,766,856
	87,981,129
Trade and other payables	3,805,023
Provisions	3,149,000
Deferred tax liabilities	10,631,769
	17,585,792
Total identifiable assets at fair value	**70,395,337**
Purchase consideration	52,951,678
Fair value of existing interest in acquiree	17,443,659
	70,395,337

Analysis of cash flows on acquisition:	
Transaction costs of the acquisition (included in cash flows from operating activities)	(3,058,236)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	1,126,934
Transaction cost attributable to issuance of shares (included in cash flows from financing activities)	(64,865)
Net cash flow on acquisition	**(1,996,167)**

Transaction costs relating to stamp duty, external legal fees, technical fees and due diligence costs of $3,058,236 have been expensed and are included in administrative expenses.

38. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Non-Executive Directors

		Appointed	Resigned
PJ Newton	Non-Executive Chairman	14 December 2012	-
PM Cmrlec	Non-Executive Director	23 July 2013	-
AC Ferguson	Non-Executive Director	10 May 2012	-
SD Heggen	Non-Executive Director	25 October 2012	-
X Penggen	Non-Executive Director	9 February 2012	-
Y Zhang	Alternate for Mr Xie Penggen	3 October 2007	-

(ii) Executive Directors

		Appointed	Resigned
PG Cook	CEO & Executive Director	23 July 2004	-
WS Hallam	Executive Director	1 March 2005	-
SJ Huffadine	Executive Director	18 October 2012	30 April 2013
DP Will	Executive Director	12 July 2011	14 December 2012

(iii) Other Executives (KMPs)

		Appointed	Resigned
RD Cook	General Manager - Renison	22 April 2010	-
PD Hucker	Chief Operating Officer	17 October 2012	-
MP Poepjes	Chief Mining Engineer	8 August 2011	-
JW Russell	Group Chief Geologist	17 October 2012	-
FJ Van Maanen	CFO & Company Secretary	1 July 2005	-

There are no other changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

(b) Compensation of Key Management Personnel

	2013	2012
Short-term employee benefits	2,554,268	1,405,580
Post-employment benefits	163,753	90,975
Other long-term benefits	75,974	33,447
Share-based payment	-	298,948
	2,793,995	**1,828,950**

(c) Option holdings of Key Management Personnel (including nominees)

30 June 2013	Balance at beginning of period 1 July 2012	Granted as remuneration	Net change other ^	Options exercised	Balance at end of period 30 June 2013	Not vested and not exercisable	Vested and exercisable
Directors							
PJ Newton	-	-	-	-	-	-	-
PG Cook	-	-	-	-	-	-	-
WS Hallam *	2,750,000	-	(1,500,000)	-	1,250,000	-	1,250,000
SJ Huffadine ***	-	-	-	-	-	-	-
DP Will ***	1,250,000	-	(1,250,000)	-	-	-	-
AC Ferguson	-	-	-	-	-	-	-
SD Heggen	-	-	-	-	-	-	-
X Penggen	-	-	-	-	-	-	-
Y Zhang (Alternate Director)	-	-	-	-	-	-	-
Executives							
RD Cook	-	-	-	-	-	-	-
PD Hucker **	-	-	1,100,000	-	1,100,000	-	1,100,000
MP Poepjes	600,000	-	-	-	600,000	-	600,000
JW Russell **	-	-	1,500,000	-	1,500,000	-	1,500,000
FJ Van Maanen **	1,000,000	-	550,000	-	1,550,000	-	1,550,000
Total	**5,600,000**	**-**	**400,000**	**-**	**6,000,000**	**-**	**6,000,000**

All options are exercisable once vested.

* Options lapsed during the period and forfeited.

** Options were issued to these key management personnel who held options in Westgold at the time of the merger with Metals X. The options were issued on the same terms and conditions as all other Westgold options holders.

*** Mr DP Will and Mr SJ Huffadine resigned on 14 December 2012 and 30 April 2013 respectively and are no longer Directors.

30 June 2012	Balance at beginning of period 1 July 2011	Granted as remuneration	Net change other ^	Options exercised	Balance at end of period 30 June 2012	Not vested and not exercisable	Vested and exercisable
Directors							
PG Cook	-	-	-	-	-	-	-
WS Hallam	1,500,000	1,250,000	-	-	2,750,000	-	2,750,000
DP Will	-	1,250,000	-	-	1,250,000	-	1,250,000
AC Ferguson	-	-	-	-	-	-	-
ML Jefferies *	-	-	-	-	-	-	-
S Zhang *	-	-	-	-	-	-	-
X Penggen	-	-	-	-	-	-	-
Y Zhang (Alternate Director)	-	-	-	-	-	-	-
Executives							
RD Cook	-	-	-	-	-	-	-
MP Poepjes	-	600,000	-	-	600,000	-	600,000
FJ Van Maanen **	700,000	500,000	(200,000)	-	1,000,000	-	1,000,000
Total	**2,200,000**	**3,600,000**	**(200,000)**	**-**	**5,600,000**	**-**	**5,600,000**

All options are exercisable once vested.

* ML Jefferies and S Zhang resigned on 10 May 2012 and 9 February 2012 respectively and are no longer Directors.

** Options lapsed during the period and forfeited.

38. KEY MANAGEMENT PERSONNEL (CONTINUED)

(d) Shareholdings of Key Management Personnel

Ordinary shares held in Metals X Limited (number)

30 June 2013	Balance held at 1 July 2012	Granted as remuneration	On exercise of options	Net change other	Balance held at 30 June 2013
Directors					
PJ Newton	-	-	-	54,100,000	54,100,000
PG Cook	68,440,200	-	-	1,876,505	70,316,705
WS Hallam	6,350,000	-	-	-	6,350,000
SJ Huffadine *	-	-	-	-	-
DP Will *	-	-	-	-	-
AC Ferguson	-	-	-	-	-
SD Heggen	-	-	-	20,000	20,000
X Penggen	176,000,000	-	-	-	176,000,000
Y Zhang (Alternate Director)	-	-	-	-	-
Executives					
RD Cook	-	-	-	-	-
PD Hucker	-	-	-	77,500	77,500
MP Poepjes	-	-	-	-	-
JW Russell	-	-	-	-	-
FJ Van Maanen	2,070,000	-	-	-	2,070,000
Total	**252,860,200**	**-**	**-**	**56,074,005**	**308,934,205**

* DP Will and SJ Huffadine resigned on 14 December 2012 and 30 April 2013 respectively and are no longer Directors

30 June 2012	Balance held at 1 July 2011	Granted as remuneration	On exercise of options	Net change other	Balance held at 30 June 2012
Directors					
PG Cook	68,440,200	-	-	-	68,440,200
WS Hallam	6,350,000	-	-	-	6,350,000
DP Will	-	-	-	-	-
AC Ferguson	-	-	-	-	-
ML Jefferies *	2,700,000	-	-	(2,700,000)	-
S Zhang **	176,000,000	-	-	(176,000,000)	-
X Penggen **	-	-	-	176,000,000	176,000,000
Y Zhang (Alternate Director)	-	-	-	-	-
Executives					
RD Cook	-	-	-	-	-
MP Poepjes	-	-	-	-	-
FJ Van Maanen	2,070,000	-	-	-	2,070,000
Total	**255,560,200**	**-**	**-**	**(2,700,000)**	**252,860,200**

* ML Jefferies resigned on 10 May 2012 and is no longer a Director.

** On 9 February 2012 S Zhang resigned and X Penggen was appointed as a Director representing Jinchuan Group Limited who hold 176,000,000 shares in the Company.

(e) Loans to Key Management Personnel

There were no loans to key management personnel during the current or previous financial year.

(f) Other transactions and balances with Key Management Personnel

PG Cook and WS Hallam were Directors of Westgold. In the current period prior to the merger with the Westgold $15,260 (2012: $45,780) was charged to Westgold for directors fees.

PG Cook and WS Hallam are Directors of Aziana. FJ Van Maanen was the Company Secretary of Aziana until 22 January 2013. The Consolidated Entity provides accounting, secretarial and administrative services at cost to Aziana. In the current period $86,945 (2012: $96,818) has been charged to Aziana for these company secretarial and director's fees.

39. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The consolidated financial statements include the financial statements of Metals X Limited and the subsidiaries listed in the following table:

		Ownership Interest	
Name	**Country of incorporation**	**2013**	**2012**
Bluestone Australia Pty Ltd	Australia	100%	100%
Metals Exploration Pty Ltd	Australia	100%	100%
Westgold Resources Pty Ltd	Australia	100%	-
Mad Metals Pty Ltd	Australia	100%	100%
Chinggis Metals Pty Ltd	Australia	100%	100%
Subsidiary Companies of Metals Exploration Pty Ltd			
Austral Nickel Pty Ltd	Australia	100%	100%
Hinckley Range Pty Ltd	Australia	100%	100%
Metex Nickel Pty Ltd	Australia	100%	100%
Subsidiary companies of Bluestone Australia Pty Ltd			
Bluestone Mines Tasmania Pty Ltd	Australia	100%	100%
Bluestone Nominees Pty Ltd	Australia	100%	100%
Subsidiary companies of Bluestone Mines Tasmania Pty Ltd			
Bluestone Mines Tasmania Joint Venture Pty Ltd	Australia	50%	50%
Subsidiary companies of Westgold Resources Pty Ltd			
Castile Resources Pty Ltd	Australia	100%	-
Aragon Resources Pty Ltd	Australia	100%	-
Fulcrum Resources Pty Ltd	Australia	100%	-
Big Bell Gold Operations Pty Ltd	Australia	100%	-

(b) Ultimate parent

Metals X Limited is the ultimate parent entity. There are no Class Orders in place at 30 June 2013.

(c) Key management personnel

Details relating to key management personnel, including remuneration paid, are included in note 38.

39. RELATED PARTY DISCLOSURES (CONTINUED)

(d)	Transactions with related parties	2013	2012
(i)	**Jointly controlled assets**		
	Amounts charged by Bluestone Australia Pty Ltd to the unincorporated Bluestone Mines Tasmania Joint Venture for services provided *	646,340	354,836
(ii)	**Associates**		
	Amounts charged by Bluestone Australia Pty Ltd to Aziana Ltd for services provided **	351,828	281,016
	Amounts charged by Bluestone Australia Pty Ltd to Westgold Resources Ltd for services provided ***	125,293	407,188

* Subsidiary Bluestone Mines Tasmania Pty Ltd has a 50% joint venture interest in the unincorporated Bluestone Mines Tasmania Joint Venture.

** The Company has a 13.73% interest in Aziana Limited (2012: 25.00%).

*** The Company acquired Westgold Resources Limited during the year and had an interest of 26.98% in the previous year (refer to note 37).

40. INFORMATION RELATING TO METALS X LIMITED ("THE PARENT ENTITY")

	2013	2012
Current assets	41,549,376	46,678,789
Total assets	306,386,181	258,780,642
Current liabilities	2,127,192	1,573,524
Total liabilities	2,127,192	1,573,524
Issued capital	340,242,263	288,366,186
Accumulated losses	(55,722,937)	(37,280,516)
Option premium reserve	19,739,664	18,728,928
Other reserves	-	(12,607,479)
Total Equity	**304,258,990**	**257,207,119**
(Loss)/profit of the parent entity	(18,442,421)	(20,845,025)
Total comprehensive (loss)/profit of the parent entity	(5,834,942)	(21,411,186)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries.	Nil
Contingent liabilities of the parent entity.	Nil
Contractual commitments by the parent entity for the acquisition of property, plant or equipment.	Nil

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Metals X Limited, I state that:

In the opinion of the Directors:

a. the financial statements and notes of the Company and of the Consolidated Entity are in accordance with the Corporations Act 2001, including:

    i. giving a true and fair view of the Company's and the Consolidated Entity's financial position as at 30 June 2013 and of their performance for the year ended on that date; and

    ii. complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

b. the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b) and;

c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

d. this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

On behalf of the Board.

PG Cook

CEO & Executive Director

Perth, 6 September 2013

INDEPENDENT AUDIT REPORT

Ernst & Young
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Independent audit report to members of Metals X Limited

Report on the financial report

We have audited the accompanying financial report of Metals X Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

DL:DR:METALS X:037

INDEPENDENT AUDIT REPORT

EY
Building a better working world

Opinion

In our opinion:

a. the financial report of Metals X Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Metals X Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

D S Lewsen
Partner
Perth
6 September 2013

DL:DR:METALS X:037

SECURITY HOLDER INFORMATION AS AT 2 SEPTEMBER 2013

(a) Top 20 Quoted Shareholders

	%	Number of shares
Sun Hung Kai Investment Services Limited <Client A/C>	15.68	259,130,281
Jinchuan Group Limited	10.65	176,000,000
Sun Hung Kai Investment Services Limited <Client APAC Res A/C>	8.41	139,000,000
National Nominees Limited	7.27	120,110,483
Fitel Nominees Limited	4.86	80,361,586
Bell Potter Nominees Limited	4.33	71,628,673
JP Morgan Nominees Australia Limited	3.80	62,774,257
All-States Finance Pty Ltd	3.21	53,000,000
Ajava Holdings Pty Ltd	2.43	40,110,000
Richard Farleigh	2.36	38,979,065
HSBC Custody Nominees Australia Limited	1.88	31,120,115
Peter Gerard Cook	1.30	21,550,000
Sun Hung Kai Investment Services Limited <Client Katong Assets Ltd A/C>	0.80	13,265,866
Citicorp Nominees Pty Ltd	0.79	13,124,078
RBC Investor Services Australia Nominees	0.74	12,230,572
Western Bridge Pty Ltd	0.62	10,229,822
Oaksouth Pty Ltd	0.50	8,265,000
Pershing Australia Nominees Pty Ltd	0.50	8,218,160
JP Morgan Nominees Australia Limited <Cash Income A/C>	0.47	7,818,759
Joan Christine Cook	0.43	7,056,200
Total	**71.03**	**1,173,972,917**

(b) Distribution of quoted ordinary shares

Size of parcel	Number of share holders	Number of shares
1 to 1,000	135	16,853
1,001 to 5,000	657	2,382,021
5,001 to 10,000	1,050	8,382,146
10,001 to 100,000	3,060	107,733,274
100,001 and over	756	1,534,121,816
Total	**5,658**	**1,652,636,110**

(c) Number of holders with less than a marketable parcel of ordinary shares	631	1,597,173

(d) Substantial Shareholders

	%	Number of shares
Apac Resources Limited	24.07	397,130,281
Jinchuan Group Limited	10.66	176,000,000

(e) Voting Rights

The voting rights for each class of security on issue are:

Ordinary fully paid shares

Each ordinary shareholder is entitled to one vote for each share held.

Options

The holders of options have no rights to vote at a general meeting of the company.

(f) Unquoted Equity Securities

Number of Options	Exercise Price	Expiry Date	Number holders
2,800,000	13 cents	30/11/2013	9
1,000,000	32 cents	30/11/2013	1
4,750,000	30 cents	30/11/2014	12
715,000	44 cents	25/03/2015	5
550,000	19 cents	30/11/2013	1
19,250,000	18 cents	31/12/2013	12
1,127,500	29 cents	11/01/2014	7
440,000	20 cents	24/08/2014	1
2,007,500	26 cents	03/07/2014	5
3,300,000	26 cents	15/08/2015	2
1,100,000	21 cents	01/11/2014	1

INTERESTS IN MINING TENEMENTS

Project	Tenement Number	Status	Metals X's Interest
Northern Territory			
McArthur Basin	EL26028	Granted	100%
	EL26029	Granted	100%
	EL26030	Granted	100%
	EL26031	Granted	100%
	EL26183	Granted	100%
	EL26362	Granted	100%
	EL26363	Granted	100%
	EL26419	Granted	100%
	EL26572	Granted	100%
	EL26579	Granted	100%
	EL26923	Granted	100%
	EL26949	Granted	100%
Rover Project	EL24541 *	Granted	100%
	EL24989 *	Granted	100%
	EL25343	Application	100%
	EL25344	Application	100%
	EL25345	Application	100%
	EL25427	Granted	100%
	EL25506	Application	100%
	EL25507	Application	100%
	EL25511 *	Granted	100%
	EL25522	Application	100%
	EL25523	Application	100%
	EL25524	Application	100%
	EL25525	Application	100%
	EL26242 *	Application	100%
	EL26537 *	Application	100%
	EL26538 *	Application	100%
	EL27039 * [1]	Granted	100%
	ELR29957	Application	100%
	ELR29958	Application	100%
Warumpi Project	EL10379	Granted	51%
	EL24825	Application	51%
	EL26527	Granted	51%
	EL29740	Application	100%
	EL29741	Application	100%
	EL29742	Application	100%
	EL29743	Application	100%
	EL29744	Application	100%
	EL29745	Application	100%
	EL29746	Application	100%
	EL29747	Application	100%
	EL29748	Application	100%
	EL29749	Application	100%
	EL29750	Application	100%
	EL6732	Granted	51%
	EL6861	Granted	51%

Project	Tenement Number	Status	Metals X's Interest
South Australia			
Claude Hills Nickel Project	EL4751	Granted	100%
	EL5184	Granted	100%
Queensland			
Collingwood Tin Project	EPM14815	Granted	100%
	ML2796	Granted	100%
	ML3065	Granted	100%
	ML3066	Granted	100%
	ML3067	Granted	100%
	ML3068	Granted	100%
	ML3069	Granted	100%
	ML3070	Granted	100%
Tasmania			
Renison Tin Project	ML12M/1995	Granted	50%
	ML12M/2006	Granted	50%
Mt Bischoff Tin Project	ML2M/2008	Granted	50%
Western Australia			
Central Murchison Gold Project	E20/0216	Granted	100%
	E20/0537	Granted	100%
	E20/0638	Granted	100%
	E21/0037	Granted	60%
	E21/0131	Granted	100%
	E21/0153	Granted	100%
	G20/0001	Granted	100%
	G20/0002	Granted	100%
	G20/0003	Granted	100%
	G20/0004	Granted	100%
	G20/0011	Granted	100%
	L20/0021	Granted	100%
	L20/0029	Granted	100%
	L20/0038	Granted	100%
	L20/0039	Granted	100%
	L20/0040	Granted	100%
	L20/0041	Granted	100%
	L20/0052	Granted	100%
	L21/0011	Granted	100%
	L21/0014	Granted	100%
	M20/0017	Granted	100%
	M20/0021	Granted	100%
	M20/0022	Granted	100%
	M20/0050	Granted	100%
	M20/0078	Granted	100%
	M20/0098	Granted	100%
	M20/0099	Granted	100%
	M20/0102	Granted	100%
	M20/0103	Granted	100%
	M20/0104	Granted	100%
	M20/0105	Granted	100%
	M20/0171	Granted	100%

Project	Tenement Number	Status	Metals X's Interest
Central Murchison Gold Project	M20/0192	Granted	100%
	M20/0197	Granted	100%
	M20/0218	Granted	100%
	M20/0202	Granted	100%
	M20/0252	Granted	100%
	M20/0256	Granted	100%
	M20/0293	Granted	100%
	M20/0297	Granted	100%
	M20/0298	Granted	100%
	M20/0299	Granted	100%
	M20/0300	Granted	100%
	M20/0301	Granted	100%
	M20/0307	Granted	100%
	M20/0313	Granted	100%
	M20/0315	Granted	100%
	M20/0332	Application	100%
	M20/0333	Application	100%
	M20/0351	Application	100%
	M20/0354	Granted	100%
	M20/0418	Application	100%
	M20/0435	Application	100%
	M20/0436	Application	100%
	M20/0456	Application	100%
	M21/0007	Granted	100%
	M21/0010	Granted	100%
	M21/0014	Granted	100%
	M21/0024	Granted	100%
	M21/0044	Granted	100%
	M21/0049	Granted	100%
	M21/0055	Granted	100%
	M21/0056	Granted	100%
	M21/0065	Granted	100%
	M21/0069	Granted	100%
	M21/0074	Granted	100%
	M21/0075	Granted	100%
	M21/0083	Granted	100%
	M21/0089	Granted	100%
	M21/0093	Granted	100%
	M21/0096	Application	100%
	M21/0097	Application	100%
	M21/0102	Granted	100%
	M21/0103	Granted	100%
	M21/0104	Granted	100%
	M21/0105	Granted	100%
	M21/0110	Granted	60%
	M21/0122	Application	100%
	M21/0123	Application	100%
	M21/0135	Application	100%
	M21/0141	Application	100%

Project	Tenement Number	Status	Metals X's Interest
Central Murchison Gold Project	P20/1505	Granted	100%
	P20/1506	Granted	100%
	P20/1578	Granted	100%
	P20/1735	Granted	100%
	P20/1737	Granted	100%
	P20/1842	Granted	100%
	P20/1967	Granted	100%
	P20/1968	Granted	100%
	P20/1976	Granted	100%
	P20/1998	Granted	70%
	P20/1999	Granted	70%
	P20/2000	Granted	70%
	P20/2001	Granted	70%
	P20/2011	Granted	100%
	P20/2158	Granted	100%
	P21/0458	Granted	100%
	P21/0459	Granted	100%
	P21/0543	Granted	100%
	P21/0544	Granted	100%
	P21/0546	Granted	100%
	P21/0575	Granted	100%
	P21/0584	Granted	100%
	P21/0668	Granted	100%
	P21/0669	Granted	100%
	P21/0670	Granted	100%
	P21/0671	Granted	100%
	P21/0681	Granted	100%
	P21/0682	Granted	100%
	P21/0684	Granted	100%
	P21/0689	Granted	100%
Lakeside	M21/0145	Application	60%
	M21/0146	Application	60%
	M21/0147	Application	60%
Wingellina Nickel Project	E69/0535	Granted	100%
	E69/2458	Granted	100%
	E69/3065	Granted	100%
	L69/0012	Granted	100%
	L69/0019	Application	100%

* These tenements are subject to a Clawback Agreement with AngloGold Ashanti Australia Limited.

1 Excludes the Explorer 108 deposit and surrounding $12km^2$, which is no longer subject to the Clawback Agreement.