

METOREX L I M I T E D

A NEW FOCUS FOR THE FUTURE
(Incorporated in the Republic of South Africa)
(Registration number 1934/005478/06)
JSE code: MTX
ISIN: ZAE00022745
("Metorex" or "the Company")

METOREX TO DISPOSE OF ITS INTEREST IN SABLE ZINC KABWE LIMITED ("SABLE")

Johannesburg, 8 June 2011 -- Metorex, a focussed base metals mining group, listed on the JSE Limited, is pleased to announce that it has entered into an agreement ("Agreement") with a subsidiary of Glencore International plc ("Glencore") to dispose of the entire issued share capital of Sable and any shareholder loans owing by Sable to Metorex to Glencore.

The disposal of the Sable Zinc processing plant in Kabwe, Zambia, ("Sable Disposal") is for a base price consideration of R190 million ("Base Price"). The Base Price may be reduced for potential liabilities (if any) in respect of Sable, identified and determined pursuant to a verification mechanism provided for in the Agreement and increased or reduced by changes in the audited net asset value of Sable between 31 March 2011 and a date determined by reference to the date upon which all conditions precedent to the Sable Disposal are satisfied, provided that the Base Price may not be reduced by more than R70 million. Furthermore, it is intended that Metorex will advance a shareholder loan to Sable amounting to R35 million prior to the completion of the Sable Disposal which will form part of the Sable Sale Equity and will have the effect of increasing the Base Price to R225 million.

The Sable Disposal is subject to certain terms and conditions as announced on SENS earlier today and is not a categorised transaction in terms of the JSE Limited Listings Requirements. However, Metorex wishes to keep shareholders informed of the status of fulfilment of the conditions precedent to the Vale Offer announced on SENS on 8 April 2011.

Terence Goodlace CEO said: ***"There was wide interest in Sable and we are pleased to announce that we have achieved an agreement with Glencore in a reasonably short timeframe. This is an important milestone in advancing the Vale Offer."***

If the Sable Disposal is completed, Metorex will distribute the proceeds of the Sable Disposal to shareholders and to the holders of options to subscribe for Metorex shares who accept the comparable offer to be made to them by Vale, in respect of their options which are "in the money" by reference to the Vale Offer ("Sable Distribution").

Now that the Agreement has been entered into the circular relating to the Vale Offer can be completed. The circular will contain further details in respect of the Sable Disposal and the Sable Distribution and will be posted to Shareholders shortly after receiving final approval by the JSE and Takeover Regulation Panel.

Shareholders are reminded that until the Agreement is unconditional, a condition precedent relating to the Vale Offer remains outstanding and, until all aspects of the Sable Disposal have been finalised and the fulfilment of the condition has been verified by Vale, shareholders should not view the Vale Offer as unconditional.

For further media enquiries:

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Notes to Editors:

PRINCIPAL TERMS AND CONDITIONS FOR THE SABLE DISPOSAL

- **Purchase consideration**

The purchase consideration for the Sable Sale Equity will be an amount of R190 million ("Base Price"), which amount may be:

- reduced for potential liabilities (if any) in respect of Sable, identified and determined pursuant to a verification mechanism provided for in the Agreement; and
 - increased or reduced by changes in the audited net asset value of Sable between 31 March 2011 and the earlier of 31 August 2011 and the last date of the month in which all conditions precedent to the Sable Disposal are satisfied,
- provided that the Base Price may not be reduced by more than R70 million.

- **Conditions precedent**

The Sable Disposal is subject to the fulfilment or waiver of the following conditions precedent by not later than 17h00 on 12 September 2011 -

- the unconditional approval of the Sable Disposal by the Zambian Competition and Consumer Protection Commission, in terms of the Zambian Competition and Consumer Protection Act No. 24 of 2010;
- the unconditional approval of the Sable Disposal by the Zambian Ministry of Mines in terms of the Mines and Minerals Development Act No. 7 of 2008;
- the unconditional approval of the Sable Disposal by the Financial Surveillance Department of the South African Reserve Bank;
- to the extent required, the receipt of any additional regulatory, administrative and similar approvals and consents; and
- all the conditions precedent of the Vale Offer have been fulfilled, other than:
 - the condition relating to the Sable Disposal as set out in paragraph 5.3 of the Firm Intention Announcement; and
 - the condition relating to the occurrence of a material adverse effect, fact or circumstance as more fully set out in paragraph 5.7 of the Firm Intention Announcement.