

METOREX LIMITED
 (Incorporated in the Republic of South Africa)
 (Registration number 1934/005478/06)
 Share code: MTX
 ISIN: ZAE000022745
 Issuer code: MEMTX
 ("Metorex")

Ruashi Operational and Hedging update

Metorex, a focused base metals mining group, listed on the JSE Limited, wishes to inform shareholders and update the market on Ruashi Mining SPRL's performance during November 2009 and on changes made to hedging positions.

Chief Executive Officer Terence Goodlace said; *"The Ruashi mine produced 2,491 tons of copper and 258 tons of cobalt for the month of November 2009 and tonnages processed through the SX/EW plant improved to 93 per cent of design capacity. The Ruashi hedging profile for the period July 2010 to June 2011 has been improved through the closing out all the forward sales contracts and put option structures. These hedges have been replaced with a forward sales structure at a considerably higher copper price of around US\$6,000 per ton of copper, net of costs. Importantly, the cost of closing out these old hedges has been absorbed by the new hedge and there has been no cash outflow to Metorex. This restructuring reduces Ruashi debt repayment risk in financial 2011 and allows Metorex to take advantage of much higher copper pricing."*

Table 1 – Salient Production Features at Ruashi

	Units	June 2009 quarter	September 2009 quarter	October 2009 month	November 2009 month
Waste Mined	Tons	1,369,295	1,690,647	828,688	532,884
Ore Mined	Tons	247,344	430,720	169,171	76,156
Processed	Tons	229,820	303,786	107,247	112,093
Processed	% Cu	2.69%	2.76%	2.87%	2.67%
Processed	% Co	0.49%	0.57%	0.45%	0.46%
Copper Produced	Tons	5,245	5,690	2,512	2,491
Cobalt Produced	Tons	568	666	274	258

Copper production at Ruashi decreased marginally to 2,491 tons for the month of November 2009 when compared to the October 2009 performance. Waste tonnage mined decreased to 532,884 tons and ore mined decreased to 76,156 tons. The October 2009 monthly production figures were elevated to create buffer stockpiles ahead of the rainy season. Stockpiles are needed to supplement plant feed during the rainy season which lasts from November to March each year. The average blended copper head grade for November 2009 was 2.7 per cent and the blended cobalt head grade was 0.5 per cent. **Cobalt** production decreased by 6 per cent to 258 tons for the month of November 2009.

Ruashi copper hedge book

Shareholders are hereby notified of the restructuring of the Ruashi hedge book entered into during December 2008 as part of the Metorex debt restructuring programme and as detailed in the SENS announcement to Metorex shareholders dated 12 December 2008.

The following Ruashi forward sales contracts have been closed out:

- 5,275 tons of copper at a strike price of US\$3,900 per ton for delivery during the period July 2010 to September 2010.

The fully paid up put options (34,425 tons of copper at a price of US\$3,900 per ton) entered into for the period October 2010 until June 2012 have also been closed out.

Furthermore, Ruashi has entered into further forward sales contracts as follows:

- 16,200 tons of copper at a strike price of US\$5,972 per ton for delivery during the period July 2010 to June 2011. The new forward price is net of costs incurred in the closing out of current forward sales contracts and the put options post June 2010.

The resultant summary of the overall hedging position is now as follows:

- 13,050 tons of copper at a strike price of US\$3,900 per ton for delivery during the period December 2009 to June 2010; and
- 16,200 tons of copper at strike price of US\$5,972 per ton for delivery during the period July 2010 to June 2011.

The outcome of this hedge book restructuring serves to close out a portion of the hedge book entered into during the low commodity price cycle and it furthermore secures higher forward prices for Ruashi's copper production during the 2011 financial year. The closing out of these hedges have not resulted in any cash outflow to Metorex.

Johannesburg

17 December 2009

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