METOREX LIMITED

A NEW FOCUS FOR THE FUTURE

(Incorporated in the Republic of South Africa)
(Registration number 1934/005478/06)
JSE code: MTX
ISIN: ZAE000022745
("Metorex" or "the Company")

IMPLEMENTATION OF THE REVISED RUASHI DEBT PACKAGE AND FURTHER RUASHI COPPER HEDGES

1. INTRODUCTION

Shareholders are referred to the announcement released by the Company on 29 January 2010 wherein details of the partially subscribed claw back offer to raise a minimum of USD100 million ("Claw Back Offer") and the related Revised Ruashi Debt Package ("RRDP") were provided.

Metorex is pleased to announce that, as a result of the Company receiving proceeds totalling R586 820 000 in initial subscriptions to the Claw Back Offer, Metorex has been able to make the required payment of USD35 million ("the Ruashi Special Instalment") on the Ruashi project financing facility ("Ruashi Debt") thereby unconditionally implementing the terms and conditions of the RRDP. Following the Ruashi Special Instalment, the Ruashi Debt now has an outstanding balance of USD100 million.

As a consequence of implementing the RRDP and the concomitant hedging freedom that Metorex now has in terms of the RRDP, the Company has entered into further favourable copper hedging arrangements relating to production at its Ruashi operations during the 2012 financial year, as set out below.

2. FURTHER HEDGES

The Company has hedged 12 000 tons of copper (representing approximately one third of projected annual copper production at Ruashi) with a zero cost collar as follows:

- Metorex has acquired, at no cost, a put option with respect to 12 000 tons of copper at a strike price of US$6 600 per ton, exercisable during the period 1 July 2011 to 30 June 2012; and
- Metorex has granted, at no cost, a call option with respect to 12 000 tons of copper at a strike price of US$7 600 per ton, exercisable during the period 1 July 2011 to 30 June 2012.

The resultant summary of the Ruashi hedging position, following the further hedges set out above is as follows:

- 7,800 tons of copper at a strike price of US$3,900 per ton for delivery during the period March 2010 to June 2010;
- 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; and
- 12 000 tons of copper hedged between US$6,600 per ton and US$7,600 per ton in terms of a zero cost collar during the period July 2011 to June 2012.

This hedge book now considerably mitigates the impact of potential negative movements in the copper price on Ruashi's ability to service the Ruashi Debt.

Rosebank
25 March 2010

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