

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

Disposal by Metorex of its entire shareholding in Vergenoeg Mining Company (Proprietary) Limited ("Vergenoeg") approved by shareholders and further cautionary announcement

Metorex, a focused base metals mining group, listed on the JSE Limited, wishes to inform shareholders and update the market on the outcome of the general meeting of shareholders held on 21 December 2009, for purposes of approving the disposal of its entire 55% shareholding in Vergenoeg to Minerales y Productos Derivados S.A. ("Minersa").

Terence Goodlace, CEO of Metorex commented, "The sale of our 55% shareholding in Vergenoeg for US\$60 million forms an integral part of our strategy to restore the Metorex balance sheet. This transaction became unconditional today. The proceeds received from the transaction will be substantially utilised to reduce the Ruashi project finance loans.

Metorex continues to define itself as a base metals producer and our new focus is to leverage our position in the DRC and to grow by the further development of our copper and cobalt assets.

We, at Metorex, wish Minersa every success at Vergenoeg along with their empowerment partner, Medu Capital. Metorex is pleased to have been part of the process that introduced empowerment at Vergenoeg before our exit from this investment."

1. INTRODUCTION

Shareholders of Metorex were advised on 23 September 2009 that Metorex had entered into a sale of shares agreement whereby Metorex will dispose of its entire shareholding in Vergenoeg comprising 137 500 ordinary shares constituting 55% of the issued ordinary share capital of Vergenoeg ("the Sale Shares"), to Minersa, a 30% shareholder in Vergenoeg prior to its acquisition of the Sale Shares, for a cash consideration of US\$60 000 000 ("the Transaction"). The Transaction has now become unconditional and was overwhelmingly supported by Metorex shareholders at a General Meeting held on 21 December 2009. The resolutions to proceed were passed with 98.42% of the meeting voting in favour of the Transaction.

2. RATIONALE FOR THE TRANSACTION AND USE OF PROCEEDS

In line with Metorex's stated intention to restructure and reduce the Ruashi project finance loans and facilities ("Ruashi Debt") and to reconstitute the Metorex group into a focused base metal mining company, management has continued to pursue the strategy of disposing certain non-core assets within the Group.

The proceeds received by Metorex will be utilised in the following manner:

- General working capital requirements – US\$10 million;
- Ruashi Debt instalment due 31 December 2009 – US\$24 million; and
- Voluntary pre-payment against Ruashi Debt – US\$ 26 million.

3. INDICATIVE METOREX GROUP DEBT POSITION COMPARED TO 30 JUNE 2009 (assuming an exchange rate of R7,71 / US\$)

Metorex is pleased to demonstrate the success of its asset disposal strategy and further efforts by the Group to reduce Group debt levels, following the application of the proceeds from the Transaction, as set out below.

Group Total Third Party Debt:

- | | |
|---|-----------------|
| • As at 30 June 2009 | R 2 111 million |
| • Short-term loan repayments | (R 189 million) |
| • Instalment paid – Chibuluma term loan | (R 31 million) |
| • Ruashi debt reduction | (R 386 million) |
| • Current debt position (after Transaction) | R 1 505 million |

4. FURTHER CAUTIONARY ANNOUNCEMENT

Shareholders are advised that Metorex remains involved in negotiations which may have a material effect on the price of the Company's securities.

Accordingly, shareholders should continue to exercise caution when dealing in their Metorex securities until a further announcement is made.

Johannesburg

21 December 2009

For further enquiries please contact:

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Sponsor

Barnard Jacobs Mellet Corporate Finance (Pty) Limited