

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

NOTICE OF GENERAL MEETING AND REVISED PRO FORMA FINANCIAL EFFECTS IN TERMS OF THE PROPOSED DISPOSAL BY METOREX OF ITS ENTIRE SHAREHOLDING IN VERGENOEG MINING COMPANY (PROPRIETARY) LIMITED ("VERGENOEG") AND FURTHER CAUTIONARY ANNOUNCEMENT

1. INTRODUCTION

Shareholders are referred to the announcement dated 23 September 2009 regarding the proposed disposal by Metorex of its entire shareholding in Vergenoeg comprising 137 500 ordinary shares ("the Sale Shares") and constituting 55% of the issued ordinary share capital of Vergenoeg to Minerale Y Productos Derivados SA for a cash consideration of US\$60 million ("the Transaction") and the announcement dated 30 October 2009 which included the pro forma financial effects of the Transaction.

Shareholders are further advised that a circular to shareholders setting out the full details of the Transaction ("the Circular"), is being posted to shareholders today.

The Transaction is classified as a related party transaction in terms of the Listings Requirements of the JSE Limited ("the Listings Requirements"). Accordingly, shareholder approval for the Transaction is required as well as a fairness opinion from an independent expert.

Venmyn Rand (Proprietary) Limited ("Venmyn") was appointed by the board of directors of Metorex ("the Board") to provide an independent fairness opinion on the Transaction. Venmyn has considered the terms and conditions of the Transaction and is of the opinion that the terms and conditions of the Transaction are fair to Metorex shareholders. Their opinion is set out in the Circular.

The Board has considered the terms and conditions of the Transaction as well as Venmyn's fairness opinion and is of the opinion that the Transaction is fair to all Metorex shareholders. Accordingly the Board recommends that Metorex shareholders vote in favour of the resolutions, as set out in the Circular.

2. REVISED PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTION

The table below sets out the revised unaudited pro forma financial effects of the Transaction on the earnings, headline earnings, net asset value and tangible net asset value per Metorex share, which has been amended to include the unaudited pro forma financial effects of the Black Economic Empowerment transaction involving the disposal by Metorex of 15% of the issued ordinary share capital of Vergenoeg to Medu Capital Fund II Partnership and the Medu II Development Fund for a cash consideration of R108 750 000, as announced on 29 July 2009 ("the Medu Transaction").

The unaudited pro forma financial effects are prepared for illustrative purposes only, and due to their nature, may not fairly present Metorex's financial position. The pro forma financial effects are the responsibility of the directors of Metorex.

Audited	Unaudited
results	pro forma
for the	after
year ended	the Medu
30 June 2009	Transaction

Loss per share (cents) (2)	(272.4)	(259.9)
Headline earnings per share (cents) (2) (5)	23.9	21.4
Net asset value per share (cents) (3)	323.1	332.4
Net tangible asset value per share (cents) (3)	321.6	330.9
Weighted average number of shares in issue ('000)	553 349	553 349
Shares in issue ('000)	742 538	742 538

	Unaudited pro forma after the Transaction	Percentage change (%)
Loss per share (cents) (2)	(205.4)	21.0
Headline earnings per share (cents) (2) (5)	11.7	(45.3)
Net asset value per share (cents) (3)	377.7	13.6
Net tangible asset value per share (cents) (3)	376.2	13.7
Weighted average number of shares in issue ('000)	553 349	-
Shares in issue ('000)	742 538	-

Notes

1. The unaudited pro forma financial effects on the Income Statement were prepared on the basis that the Transaction and the Medu Transaction were completed on 1 July 2008 and the unaudited pro forma financial effects on the Balance Sheet were prepared on the basis that the Transaction and the Medu Transaction were completed on 30 June 2009.

2. Earnings and headline earnings per share are based on the weighted average number of shares in issue at 30 June 2009 and have been adjusted to take into account costs of the Transaction of R3.1 million (before taxation), the removal of the earnings attributable to Vergenoeg of R67.9 million and an after-tax profit on the sale of the Sale Shares of R359 million.

3. Net asset value per share and net tangible asset value per share have been adjusted to include the net cash proceeds of the Transaction of R459.8 million, basic gross proceeds of R462.9 million (US\$60 million translated at a rate of R7.71/US\$) and costs of R3.1 million.

4. The after-tax profit of R355.9 million on the Transaction incorporates a deferred taxation charge of R42.6 million. Metorex has various assessed losses on which a deferred taxation asset has been raised. The capital gain on the Vergenoeg disposal will be offset against the assessed losses and hence there is an adjustment to the deferred taxation balance.

5. The Medu Transaction was accounted for by incorporating the proceeds of R108.8 million, the deferred taxation of R9.2 million and the resultant profit on the Transaction of R82.9 million, with no material separately identifiable transaction costs. The minority interest has been adjusted to represent the 45% outside shareholding. This Transaction is assumed to be implemented on 1 July 2008 for the purposes of earnings and headline earnings.

6. Net asset value per share and net tangible asset value per share have been adjusted to include the net cash proceeds of the Medu Transaction of R108.8 million, which represents the basic gross proceeds as there were no material separately identifiable transaction costs. The resultant profit at 30 June 2009 amounted to R68.8 million.

3. NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders will be held at 09:30 on Monday, 21 December 2009 in the Acacia Room, The Grace Hotel, 54 Bath Avenue, Rosebank, Johannesburg, South Africa in order to vote on the ordinary resolutions necessary to implement the Transaction, as set out in the Circular.

The salient dates and times for the general meeting are as follows:

2009

Last day for receipt of forms of proxy for general meeting of shareholders at 09:30 on	Thursday, 17 December
General meeting of shareholders at 09:30 on	Monday, 21 December
Results of general meeting released on SENS on	Monday, 21 December
Results of general meeting published in press on	Tuesday, 22 December

Notes

1. These dates and times are subject to change. Any such change will be published on SENS and in the press. Any reference to time is a reference to South African time.

2. If the general meeting is adjourned or postponed, forms of proxy must be received by no later than 48 hours prior to the time of the adjourned or postponed general meeting, provided that, for the purpose of calculating the latest time by which forms of proxy must be received, Saturdays, Sundays and gazetted public holidays in South Africa will be excluded.

4. FURTHER CAUTIONARY ANNOUNCEMENT

Shareholders are advised that Metorex remains in negotiations which, if successfully concluded, may have a material effect on the price of Metorex securities.

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

4 December 2009
Johannesburg

Sponsor and Corporate Advisor
BARNARD JACOBS MELLET CORPORATE FINANCE

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