

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")

PRO FORMA FINANCIAL EFFECTS OF CAPITAL RESTRUCTURING AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

1. INTRODUCTION

Metorex shareholders ("Shareholders") are referred to the announcement released by the Company on Friday, 29 January 2010 ("Announcement") wherein the details of a US\$100 million capital raising exercise through the implementation of a claw back offer of 250 000 000 Metorex ordinary shares at R3.60 per share ("Claw Back Offer") and the introduction of a revised debt package for Ruashi Mining sprl ("RRDP") (collectively referred to as the "Capital Restructuring") were provided.

Shareholders were informed in the Announcement that the *pro forma* financial effects of the Capital Restructuring would be announced on or about 1 February 2010. These *pro forma* financial effects are provided below.

2. PRO FORMA FINANCIAL EFFECTS

The table below sets out the unaudited *pro forma* financial effects of the Capital Restructuring based on the Company's published audited results for the year ended 30 June 2009, after accounting for the disposal of the Company's entire interest in Vergenoeg Mining Company (Proprietary) Limited ("Vergenoeg Transaction"), and are presented in a manner consistent with the format and accounting policies adopted by Metorex. The unaudited *pro forma* financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Company's financial position after the Capital Restructuring. It has been assumed for purposes of the *pro forma* financial effects that the Capital Restructuring took place with effect from 30 June 2009 for balance sheet purposes and 1 July 2008 for income statement purposes. It has also been assumed that the Claw Back Offer is subscribed to the extent of US\$100 million (R750 million). The *pro forma* financial effects are the responsibility of the Company's directors.

The unadjusted information utilised for the purposes of the unaudited *pro forma* financial effects are the Company's results for the year ended 30 June 2009 after the Vergenoeg Transaction. The unadjusted information was then adjusted to account for the disposal by the Company of its entire interest in Pan African Resources plc ("PAR Transaction") as announced on SENS on 25 June 2009.

	Unadjusted before Capital Restructuring	After PAR Transaction	% Change	After Capital Restructuring	% Change
Earnings per share (cents)	(205.35)	(217.36)	6%	(157.91)	(27%)

Headline earnings per share (cents)	11.65	(0.36)	(103%)	(0.26)	(28%)
Net asset value per share (cents)	377.7	396.8	5%	385.8	(3%)
Tangible net asset value per share (cents)	376.2	395.3	5%	384.6	(3%)
Weighted average number of shares in issue ('000)	553 349	553 349	0%	761 682	38%
Shares in issue at period end ('000)	742 538	742 538	0%	950 872	28%

1. The PAR Transaction and Capital Restructuring are assumed to be effective 30 June 2009 for balance sheet purposes and 1 July 2008 for income statement purposes.
2. It is assumed that the proceeds received from the Claw Back Offer of US\$100 million (R750 million) have been utilised to reduce the Ruashi debt, as described in the Announcement, in accordance with the RRDP by US\$35 million (R262.5 million) and the remaining US\$65 million (R487.5 million) has been applied to cash on hand.
3. The amounts set out in the "Unadjusted before Capital Restructuring" column have been extracted, without adjustment, from the circular detailing the Vergenoeg Transaction posted to Shareholders on 4 December 2009.
4. The actual results for Pan African Resources plc ("PAR") were extracted from the audited results of PAR for the 12 months ended 30 June 2009 and incorporate the deconsolidation journal entries applicable to PAR as a result of the PAR Transaction. These results agree to Metorex's audited consolidated results for the year ended 30 June 2009 and have been reversed to account for the disposal. The PAR results for the year ended 30 June 2009 have been audited by PAR's external auditors.
5. Other than the adjustment to the weighted average number of shares in issue, the Capital Restructuring has no *pro forma* financial effect on Metorex's income statement as the interest on the debt to be repaid was capitalised by the Company.
6. Estimated transaction costs of R28 million have been written off against share premium.

3. WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the further cautionary announcement released by the Company on 29 January 2010 and are advised that they are no longer required to exercise caution when dealing in the Company's securities.

Johannesburg
2 February 2010

Corporate and Debt Advisor, Sole Bookrunner and Lead Sponsor
One Capital

Attorneys
Cliffe Dekker Hofmeyr Incorporated

Independent Sponsor
Barnard Jacobs Mellet Corporate Finance (Proprietary) Limited
