

15 DECEMBER 2015

ABY TAKEOVER – OFFER CONSIDERATION

On 7 December 2015 Metals X Limited ACN 110 150 055 (**Metals X**) announced that it had increased the ratio of the Offer Consideration from 1 for 5 to 1 for 4.75 pursuant to its off-market takeover bid for all of the fully paid ordinary shares in Aditya Birla Minerals Limited ACN 103 515 037 (**ABY** or **Aditya Birla**) pursuant to a Bidder's Statement dated 15 October 2015, as varied by its Supplementary Bidder's Statement dated 7 December 2015 (**Offer**).

The Supplementary Bidder's Statement dated 7 December 2015 incorrectly understated the implied offer value based on pre-Offer announcement prevailing market prices at 1-month VWAP, 2-month VWAP and 3-month VWAP prices.

Period	Stated Implied Value	Corrected Implied Value	Premium
1-month VWAP	\$0.247	\$0.260	54.7%
2-month VWAP	\$0.240	\$0.253	49.1%
3-month VWAP	\$0.237	\$0.250	25.3%

Accordingly, and by way of clarification and correction, section 1.2 of the Supplementary Bidder's Statement should have stated:

“Based on the pre-Offer announcement prevailing market prices, the implied increased Offer value is equivalent to, approximately:

- \$0.287 per Aditya Birla Share, based on Metals X Shares closing price on the day prior to the announcement of the Offer (\$1.365), compared to Aditya Birla's closing price on the day prior to the announcement of the Offer of \$0.17. A premium of 69%.
- \$0.260 per Aditya Birla Share, based on a 1-month VWAP of Metals X Shares as at 14 October 2015, the day prior to the announcement of the Offer, compared to Aditya Birla's 1-month VWAP in that same period of \$0.168. A premium of 54.7%.
- \$0.253 per Aditya Birla Share, based on a 2-month VWAP of Metals X Shares as at 14 October 2015, the day prior to the announcement of the Offer, compared to Aditya Birla's 2-month VWAP in that same period of \$0.170. A premium of 49.1%.
- \$0.250 per Aditya Birla Share, based on a 3-month VWAP of Metals X Shares as at 14 October 2015, the day prior to the announcement of the Offer, compared to Aditya Birla's 3-month VWAP in that same period of \$0.199. A premium of 25.3%.

As Metals X Shares are listed on ASX, the market price of Metals X Shares can fall as well as rise and may be subject to varied and unpredictable influences. Accordingly, there is no guarantee that the Metals X Shares offered will trade at or above pre-Offer prevailing market prices.”

As noted in section 2.5 of the Supplementary Bidder's Statement, recent market prices of both ABY and Metals X shares have varied from pre-Offer announcement prices.

As is typical in a takeover, the target company's share price increases to reflect the ratio of the offer. However, the ABY share price multiple has never closed at the full value of the Metals X Offer ratio.

Metals X acknowledges that its share price has fallen since the announcement of the Offer to the date of the Supplementary Bidder's Statement (7 December 2015) by approximately 23.81%, in line with the S&P/ASX 300 Metals & Mining (Industry) Index, which has fallen by 22.01% over the same period.

For completeness, the implied value of the Metals X Offer at the date of the Supplementary Bidder's Statement VWAP and closing prices are:

- \$0.219 per Aditya Birla Share, based on Metals X Shares closing price on 7 December 2015 (\$1.04), compared to Aditya Birla's closing price on 7 December 2015 of \$0.175. A premium of 25.1%.
- \$0.232 per Aditya Birla Share, based on a 1-month VWAP of Metals X Shares as at 7 December 2015 (\$1.104), compared to Aditya Birla's 1-month VWAP in that same period of \$0.207. A premium of 12.1%.
- \$0.264 per Aditya Birla Share, based on a 2-month VWAP of Metals X Shares as at 7 December 2015 (\$1.255), compared to Aditya Birla's 2-month VWAP in that same period of \$0.225. A premium of 17.2%.
- \$0.263 per Aditya Birla Share, based on a 3-month VWAP of Metals X Shares as at 7 December 2015 (\$1.249), compared to Aditya Birla's 3-month VWAP in that same period of \$0.219. A premium of 20.0%.

These implied offer values remain at a significant premium, despite the ABY share price increasing upon the announcement of the MLX Offer.

Metals X's CEO Peter Cook said:

"Metals X continues to believe it has made a significant and fully valued offer which is in the best interests of all Aditya Birla shareholders to accept. In the absence of the Metals X Offer, we believe that the ABY share price would have fallen significantly below its pre-bid price, in line with the deterioration in metals and mining markets and in particular international copper prices."

The Offer period under Metals X's Offer is scheduled to close at 5pm AWST on 30 December 2015 unless otherwise extended.

ENQUIRIES

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