

METOREX LIMITED

A NEW FOCUS FOR THE FUTURE

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("Metorex" or "the Company")

METOREX GROUP MINERAL RESOURCES AND ORE RESERVES UPDATE

Introduction

Over the past two years Metorex has implemented a mineral resource and ore reserve estimation process that is managed in a conservative, consistent manner and conforms to international standards. This implementation is good corporate governance and best practice and was initiated to de-risk existing operations and growth projects and in so doing enhance the technical inputs into the business. Over the past twelve months the Group has escalated exploration and associated project activity to increase confidence in the growth projects and ensure reporting is in full compliance with SAMREC.

Mineral Resources

Metorex is pleased to announce an increase in group mineral resources, with a general upgrading of copper and cobalt resources from the inferred mineral resource category into the indicated and measured categories. During the period between June 2009 and March 2011 ("F2010 period"), historical non-SAMREC resource estimates for two of the Growth Projects (Dilala East and Lubembe) were converted into SAMREC compliant resources.

Summary of Metorex company copper mineral resources

Operation / Project	Mineral Resources ('000t contained copper)					
	Measured + Indicated		Inferred		Total Resources	
	F2009	F2010	F2009	F2010	F2009	F2010
Ruashi oxides	630	611	186	181	817	792
Ruashi sulphides	0	45	248	407	248	452
Chibuluma	238	196	0	0	238	196
Chifupu	0	27	59	0	59	27
Kinsenda	863	166	0	774	863	910
Lubembe	0	1,040	1,045	761	1,045	1,801
Dilala East	0	452	0	110	0	563
TOTAL	1,732	2,537	1,539	2,203	3,270	4,740
		+46.5%		+43.2%		+44.9%

Total Group copper mineral resources for the F2010 period increased by 44.9 percent from 3.27 Mt to 4.74 Mt of contained copper, driven largely by the Dilala East and Lubembe deposits. Contained copper in resources at Dilala East and Lubembe increased by 563kt (+100 percent increase) and 756kt (+72 percent increase) respectively compared to the F2009 resource base. Incremental gains in total contained copper tonnage were also made at Kinsenda, where the total contained copper resource increased by 47kt (+5 percent increase), and the Ruashi Sulphides where the contained copper resource increased by 204kt (+82 percent increase).

Drilling on the eastern side of the Ruashi 3 Oxide resource has established a +100m strike continuation of the orebody as well as a significant thickening of the mineralisation in the upper stratigraphic units. In addition, the continued increase in the copper price during F2010 has had a positive impact on the economics of the operation and resulted in a reduction in the cut-off grade used in the December 2010 Ruashi life of mine reserve plan and schedule. In order to comply with the SAMREC Code and the Metorex Mineral Resource Management ("MRM") Code of Practice, the economic viability of the Ruashi resource has been defined using a US\$12,000 per ton copper optimized whittle pit (economic resource based on a +50 percent increase in the US\$8,000 per ton pricing scenario used for LOM planning). The impact of both exploration and cut-off grade changes at Ruashi is a 179,000 ton (+16 percent increase) increase in the Ruashi Oxide and Sulphide contained copper mineral resource.

A large proportion of the Kinsenda resource was changed from measured / indicated to inferred by Snowden Mining Consultants due to, in their opinion, the inadequacy of quality assurance quality control ("QA/QC") data on the historical assay data. This resource had previously been signed off by FinOre, based in Perth, as a qualified JORC compliant measured mineral resource on the basis of limited QA/QC checks against two historical drillholes to verify the historical assay data used in the resource estimate. Comparison of data from 19 new drillholes completed in F2010 with the historical data in a portion of the orebody has indicated a conservative grade bias in the historical data. Subsequent to year end the Metorex Board approved an additional drilling programme on the Kinsenda property.

Summary of Metorex cobalt mineral resources

Operation/Project	Mineral Resources ('000t contained cobalt)					
	Measured and Indicated		Inferred		Total Resources	
	F2009	F2010	F2009	F2010	F2009	F2010
Ruashi oxides	71	98	11	14	83	112
Ruashi sulphides	-	7	21	41	21	48
Dilala East	-	136	-	34	-	170
TOTAL	71	241	32	89	103	330
		237%		180%		219%

Group cobalt mineral resources increased by 219 percent from June 2009 to the end of December 2010. The Dilala East project in Kolwezi was the main driver behind these increases, contributing an additional 170,000 tons of contained cobalt.

Ore Reserves

Summary of Metorex copper and cobalt mineral reserves

Operation / Project	Copper Reserves ('000t)		Cobalt Reserves ('000t)	
	Proved and Probable		Proved and Probable	
	F2009	F2010	F2009	F2010
Ruashi oxides	491	523	59	88
Ruashi sulphides	0	0	0	0
Chibuluma	143	132	0	0
Chifupu	0	0	0	0
Kinsenda	0	0	0	0
Lubembe	0	0	0	0
Dilala East	0	0	0	0
TOTAL	634	655	59	88
		3%		49%

Group copper mineral reserves have increased by 3 percent due to exploration and changes in the reserve cut-off grade. There has been a 49 percent increase in the contained cobalt mineral reserves as a result of the application of a bi-metallic, copper equivalent cut-off grade at Ruashi.

Mining design and scheduling studies for the Kinsenda project were still in progress at year end and were not defined to an adequate level of detail for reporting of mineral reserves.

Outlook

Extension and infill drilling at Ruashi will continue during F2011 and is likely to continue adding incremental tons and confidence to the Ruashi Oxide resource. Infill drilling on the Ruashi Sulphide resource should convert further inferred sulphide resources into the indicated or measured category.

A key focus area for the Company will be the conversion of inferred resources at Kinsenda, Lubembe and Dilala East into the indicated and measured category to derisk the projects further and provide confidence in the resource estimate to be converted to reserves in the early years of the projects.

Exploration drilling at Chibuluma South and Chifupu are also expected to add incremental tons to the resource.

Completion of the Kinsenda mining study for the bankable feasibility study will enable the declaration of a SAMREC compliant mineral reserve during F2011.

Detailed report

A detailed report on Metorex Mineral Resources and Ore Reserves is available on the Metorex website www.metorexgroup.com. All figures contained in this announcement are reflected on a 100 percent ownership and not on an attributable basis.

Operation/Project	Ownership %
Ruashi	75
Chibuluma	85
Chifupu	85
Kinsenda	77
Lubembe	77
Dilala East	75

Competent Person

Mineral Resources and Reserves in this update have been reviewed and compiled by Mr. T P Williams, BSc (Hons), PrSciNat (South African Council of Natural and Scientific Professionals Registration No 400387/04), Fellow of the Southern African Institute of Mining and Metallurgy. Mr Williams is Group Mineral Resource Manager and is a full-time employee of the Company. He is a mining geologist with 20 years experience in exploration, resource development, estimation and mining geology in gold and base metals through west, central and east Africa. Mr. Williams is based at the Company's Head Office at 5th Floor, The Mall Offices, Cradock Avenue, Rosebank, 2146, Johannesburg.

Johannesburg

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