

METOREX LIMITED

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

ANNOUNCEMENT REGARDING THE DISPOSAL BY METOREX OF ITS INTEREST IN SABLE ZINC KABWE LIMITED ("SABLE")

1. INTRODUCTION

Metorex shareholders ("Shareholders") are referred to the joint announcement of a firm intention by Vale S.A., through a wholly-owned subsidiary ("Vale"), to make an offer to acquire the entire issued and to be issued ordinary share capital of Metorex ("Vale Offer") published on the Securities Exchange News Service ("SENS") of the JSE Limited ("JSE") on 8 April 2011 and published in the South African press on 11 April 2011 ("Firm Intention Announcement").

In the Firm Intention Announcement Shareholders were advised of the various conditions precedent to the completion of the Vale Offer, one of which is the disposal by Metorex of the issued and to be issued share capital of Sable, including all its assets and liabilities, to a third party or parties free of any assumption or retention by Metorex, or any subsidiary of Metorex, of any historic, present or future liability (including any liability arising under any indemnities or warranties, other than warranties in respect of title to the issued share capital of Sable and such other warranties as may be agreed between Vale and Metorex) ("Sable Condition Precedent").

Metorex is pleased to announce that it has entered into an agreement ("Agreement") with a subsidiary of Glencore International plc ("Glencore") to dispose of the entire issued share capital of Sable and any shareholder loans owing by Sable to Metorex (collectively, "Sable Sale Equity") to Glencore, subject to the terms and conditions outlined below ("Sable Disposal").

2. PRINCIPAL TERMS AND CONDITIONS OF THE SABLE DISPOSAL

2.1. Purchase consideration

The purchase consideration for the Sable Sale Equity will be an amount of R190 000 000 ("Base Price"), which amount may be:

- reduced for potential liabilities (if any) in respect of Sable, identified and determined pursuant to a verification mechanism provided for in the Agreement; and
- increased or reduced by changes in the audited net asset value of Sable between 31 March 2011 and a date determined by reference to the date upon which all conditions precedent to the Sable Disposal are satisfied,

provided that the Base Price may not be reduced by more than R70 000 000.

It is intended that Metorex will advance a further shareholder loan to Sable amounting to R35 000 000 prior to the completion of the Sable Disposal. This loan will form part of the Sable Sale Equity and will have the effect of increasing the Base Price to R225 000 000.

2.2. Conditions precedent

The Sable Disposal is subject to the fulfilment or waiver of the following conditions precedent by not later than -

- 17h00 on 15 July 2011, the unconditional approval of the Sable Disposal by the Zambian Competition and Consumer Protection Commission, in terms of the Zambian Competition and Consumer Protection Act No. 24 of 2010;
- 17h00 on 15 July 2011, the unconditional approval of the Sable Disposal by the Zambian Ministry of Mines in terms of the Mines and Minerals Development Act No. 7 of 2008;
- 17h00 on 12 September 2011, the unconditional approval of the Sable Disposal by the Financial Surveillance Department of the South African Reserve Bank;
- 17h00 on 12 September 2011, to the extent required, the receipt of any additional regulatory, administrative and similar approvals and consents; and
- 17h00 on 12 September 2011, all the conditions precedent of the Vale Offer have been fulfilled, other than:
 - the condition relating to the Sable Disposal as set out in paragraph 5.3 of the Firm Intention Announcement; and
 - the condition relating to the occurrence of a material adverse effect, fact or circumstance as more fully set out in paragraph 5.7 of the Firm Intention Announcement.

3. SABLE DISTRIBUTION

If the Sable Disposal is completed, Metorex will distribute the proceeds of the Sable Disposal, net of any taxes arising from the Sable Disposal and the distribution thereof, to Shareholders and to the holders of options to subscribe for Metorex shares who accept the comparable offer to be made to them by Vale, in respect of their options which are "in the money" by reference to the Vale Offer ("Sable Distribution").

4. CATEGORISATION OF THE SABLE DISPOSAL

The Sable Disposal is not a categorised transaction in terms of the JSE Listings Requirements but details thereof have been provided to keep Shareholders informed of the status of fulfilment of the conditions precedent to the Vale Offer.

5. VALE OFFER CIRCULAR

Now that the Agreement has been entered into, the circular relating to the Vale Offer can be completed. The circular will contain further details in respect of the Sable Disposal and the Sable Distribution and will be posted to Shareholders shortly after receiving final approval of the circular by the JSE and Takeover Regulation Panel.

Shareholders are reminded that the Sable Condition Precedent relating to the Vale Offer remains outstanding and, until all aspects of the Sable Disposal have been finalised and the fulfilment of the condition has been verified, Shareholders should not view the Sable Condition Precedent as having been fulfilled.

Johannesburg
8 June 2011

Lead financial adviser and investment bank to Metorex: Standard Bank

Joint financial adviser and transaction sponsor to Metorex: One Capital

Legal adviser to Metorex: Cliffe Dekker Hofmeyr

Legal adviser to Glencore: Werksmans Inc