

CORPORATE OVERVIEW

Metals Australia Ltd (“Metals” or “the Company”) is an Australian based company listed on the Australian Securities Exchange under the symbol “MLS.” Metals was formerly known as Australian United Gold Limited, which was listed on the ASX under the symbol “AUL.”

The Company has an issued share capital of 669,608,765 fully paid ordinary shares and 103,150,000 options exercisable at 5 cents each on or before 30 September 2009.

Metals operates in the mineral resource sector with its focus on zinc and nickel in Western Australia and uranium in Namibia.

In line with its short term vision to establish itself as a zinc producer, the Company’s immediate strategy is to develop its Manindi zinc project in the Murchison District of Western Australia. Manindi is currently estimated as having a global resource of 1.05 million tonnes averaging 7.64% zinc and containing 80,200 tonnes of zinc metal.

There is strong potential to significantly increase the resource tonnage through further exploration, and a diamond drilling programme is scheduled for early 2007.

The Company is currently reviewing processing options, including:

- (1) crushing and grinding of the ore followed by the flotation of a concentrate,
- (2) crushing followed by heap leaching and then electrowinning to produce zinc metal, or
- (3) the sale of ore to another party for processing.

The zinc market continues to strengthen, and with the looming supply shortages, strong upward pressure on prices is expected to be maintained, offering Metals an excellent opportunity to capitalise and become a significant supplier of either zinc metal, a zinc concentrate or raw ore.

The Company’s nickel project at Sherlock Bay will be operated as a Joint Venture with Fox Resources Limited (Fox 70%, Metals 30%). Fox will provide management and meet all costs up to a decision to mine.

The Namibian uranium prospects are still undergoing evaluation.