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METALEX PARTNERS WITH DUNDEE TO DEVELOP U2 KIMBERLITE PIPE

Kelowna, Canada – 20 January 2012 – Metalex Ventures Ltd. (TSXV : MTX) (“Metalex”, the “Company”) is pleased to report it has signed a letter agreement pursuant to which a private equity fund (the “Fund”) managed by the Dundee Corporation group may acquire up to a 51% interest in the U2 and T1 kimberlite pipes through a four stage investment of up to \$51 million and form a joint venture with Metalex to develop the project.

The agreement is subject to Metalex and the Fund successfully negotiating an earn-in agreement as well as obtaining the necessary corporate and regulatory approvals. The companies have committed to use their reasonable commercial efforts and good faith to finalize and approve the earn-in agreement within 60 days.

Ned Goodman, President and Chief Executive Officer of Dundee Corporation, said "The last time Dundee was significantly involved with Chuck Fipke was in our providing financing for the now famous Ekati Diamond Mine, discovered by Chuck. We are delighted to be associated once again with Chuck and his team and look forward to partnering with him and Metalex on another of his successful ventures."

“Metalex is honoured to be partnering with Ned Goodman who has a history of funding the development of significant mines in Canada,” said Chuck Fipke, Chairman of Metalex. “The backing of the U2 project by Dundee, who has been a substantial long term shareholder of Metalex, allows us to advance the project towards commercial production.”

First Right – \$5 million convertible loan

Dundee has agreed to advance on behalf of the Fund a \$5 million interest free loan to Metalex within five business days. The funds, along with \$10 million to be allocated simultaneously by Metalex, will be used for preparatory work for the 10,000+ ton bulk sample.

At the option of the Fund, this loan can be converted to Metalex shares or applied towards the Second Right. If the loan is converted to Metalex shares within six months of signing this agreement it will be converted at \$1.00 per share. Should the loan be converted after six months from the signing of this agreement it will be converted at \$0.90 per share.

Second Right – \$17.5 million to earn 17.5% interest

The Second Right investment of a minimum of \$17.5 million (including the \$5 million loan) shall be made by the Fund as required, if the Fund exercises its right within the later of one month after receipt by Metalex of the final permitting for the 10,000+ ton bulk sample and Metalex notifying of its proposal to commence undertaking the bulk sample. Should the Fund and Metalex agree on a budget

of greater than \$17.5 million, the Fund shall earn an additional 1% interest in the project for each \$1 million spent over and above \$17.5 million. Once payment is received, the Fund will hold a minimum of a 17.5% interest in the project and will have earned its Second Right and may undertake its Third Right.

Third and Fourth Rights – Up to \$51.0 million to earn a 51% interest

Under the Third Right investment, the Fund will make a further payment as required to bring its total contribution to \$40 million. This will bring the Fund's interest to 40% and must occur within four years of the earn-in agreement. Once the Fund has earned its Third Right it may undertake the Fourth Right. Under the Fourth Right investment of \$11 million, the Fund will have earned a 51% interest in the project.

These funds are to be used to complete a feasibility study on the project and towards costs related to the project. If the feasibility study is positive, the Fund will use best commercial efforts for the joint venture to secure funding for the development of the mine to commercial production within four years.

U2 Profile

The U2 kimberlite pipe is a highly prospective diamond development project located in the James Bay Lowlands of Ontario, near De Beers' Victor Mine. Diamonds recovered from the U2 pipe are of exceptional quality – with 88.8% by weight of the +1.7mm diamonds being white and 1.1% being colored. The large size of the U2 pipe shows the potential to host a substantial tonnage.

The technical information and results reported here have been reviewed by Mr. Chad Ulansky P.Geol., a Qualified Person under National Instrument 43-101, who is responsible for the technical content of this release.

Signed,

Charles Fipke

Charles Fipke
Chairman

For Further Information Please Contact Chad Ulansky, President & CEO
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Forward Looking Statements

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various risks. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as actual results

and future events may differ materially from those anticipated in such statements. Metalex undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

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