ASX ANNOUNCEMENT

8 March 2017

Dispatch of Information Booklet and Entitlement and Acceptance Form for Entitlement Offer

Metro Mining Limited (**ASX:MMI**)(**Metro**) is pleased to advise that the Information Booklet and Entitlement and Acceptance Form relating to the non-renounceable entitlement offer announced on Friday, 24 February 2017 (**Entitlement Offer**) has been dispatched today to eligible shareholders in the form attached to this announcement.

A copy of the Information Booklet was also lodged with ASX on Tuesday, 28 February 2017 and is available to be downloaded from ASX's website www.asx.com.au.

The Entitlement Offer opens today and is expected to close at 5.00pm (Sydney time) on Friday, 17 March 2017.

Eligible shareholders are encouraged to carefully read the Information Booklet for further details regarding the Entitlement Offer.

Further information

Should you have any queries in relation to the Entitlement Offer, please contact Metro's offer information line on 1300 560 339 (within Australia) and +61 2 8011 0354 (outside Australia) on weekdays between 9.00am and 5.00pm (Sydney time). Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

This announcement is not for release or distribution in the United States.

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METRO MINING LIMITED

ACN 117 763 443

Entitlement Offer Information Booklet

one for two fully underwritten pro rata non-renounceable entitlement offer at $0.125 per New Share

Last date for acceptance and payment: 5.00pm (Sydney time) on 17 March 2017

If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. If, after reading this document you have any questions about the securities being offered for issue under it or any other matter, you should contact your stockbroker, solicitor, accountant or other professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

UNDERWRITER	**LEGAL ADVISOR**
Argonaut Capital Limited	McCullough Robertson Lawyers

Table of contents

IMPORTANT NOTICES

This Information Booklet is dated 28 February 2017. Capitalised terms in this section have the meaning given to them in this Information Booklet.

The Entitlement Offer is being made without a prospectus under section 708AA Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). This Information Booklet does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet is important and should be read in its entirety before deciding to participate in the Entitlement Offer. This Information Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC.

Metro may make additional announcements after the date of this Information Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration about whether you should participate in the Entitlement Offer.

No party other than Metro has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares or Top Up Shares through BPAY in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Entitlement Offer detailed in this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Information Booklet is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. The Entitlement Offer is not being extended to any investor outside Australia and New Zealand, other than to Greenstone and certain categories of investors in China, Hong Kong, Cyprus and the United Kingdom. For details of selling restrictions that apply to Shares in certain jurisdictions outside of Australia and New Zealand, please refer to the investor presentation in section 2. The distribution of this Information Booklet (including an electronic copy) in other jurisdictions may be restricted by law and therefore persons who come into possession of this Information Booklet should seek advice on and observe these restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for Metro to lawfully receive your Application Monies.

Definitions, currency and time

Defined terms used in this Information Booklet are contained in section 4. All references to currency are to Australian dollars and all references to time are to Sydney time, unless otherwise indicated.

Taxation

There will be tax implications associated with participating in the Entitlement Offer and receiving New Shares. Metro considers that it is not appropriate to give advice regarding the tax consequences of subscribing for New Shares under this Information Booklet or the subsequent disposal of any New Shares. Metro recommends that you consult your professional tax adviser in connection with the Entitlement Offer.

Privacy

Metro collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Metro.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Metro (directly or through the Share Registry). Metro collects, holds and will use that information to assess your Application. Metro collects your personal information to process and administer your shareholding in Metro and to provide related services to you. Metro may disclose your personal information for purposes related to your shareholding in Metro, including to the Share Registry, Metro 's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Metro holds about you. To make a request for access to your personal information held by (or on behalf of) Metro, please contact Metro through the Share Registry.

Governing law

This Information Booklet, the Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the Queensland courts and courts competent to hear appeals from those courts.

No representations

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Information Booklet. Any information or representation in connection with the Entitlement Offer not contained in the Information Booklet may not be relied upon as having been authorised by Metro or any of its officers.

Past performance

Investors should note that Metro's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) Metro's future performance including Metro's future financial position or share price performance.

Future performance

This Information Booklet contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of Metro and certain plans and objectives of the management of Metro. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither Metro, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, those forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of Metro. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Information Booklet in light of those disclosures.

Risks

Refer to the 'Risk factors' section of the Investor Presentation included in section 2 of this Information Booklet for a summary of general and specific risk factors that may affect Metro.

Chairman’s letter

28 February 2017

Dear Shareholder

On behalf of the Board of Metro Mining Limited (**Metro**), it is my pleasure to invite you to participate in Metro’s recently announced one for two fully underwritten non-renounceable entitlement offer of new ordinary shares in Metro (**New Shares**) at an issue price of $0.125 per New Share to raise approximately $36.5 million (**Entitlement Offer**).

The Entitlement Offer is another major step in Metro’s transition to become a significant Australian bauxite producer, with construction of the Bauxite Hills Mine on track to commence in the second half of 2017 and production expected to commence in the first half of 2018.

The Entitlement Offer follows Metro’s successful placement to institutions and other sophisticated investors at the same issue price which will raise up to $15.9m (**Institutional Placement**). The Institutional Placement was heavily oversubscribed and attracted a number of leading institutional investors. Metro’s largest shareholder Greenstone participated in the Institutional Placement pro-rata with its 19.6% shareholding in Metro.

The issue price of $0.125 per New Share represents a 12.3% discount to the theoretical ex-rights price (**TERP**) and a 20.8% discount to the 30 day volume weighted average price of Metro’s Shares up to and including 23 February 2017.

Together the Institutional Placement and Entitlement Offer will raise Metro approximately $52.4m (together the **Equity Raising**) and will enable Metro to maintain its development momentum at Bauxite Hills Mine and also assist Metro repay bridge loan facilities that supported Metro’s transformational acquisition of Gulf Alumina Limited (**Gulf**) late last year.

The key areas in which the Equity Raising will assist Metro maintain Bauxite Hills Mine development momentum include; the ordering of long lead time items, the provision of environmental bonding so early works can commence and funding the completion of the upcoming BFS and final project approvals. The investor presentation included in section 2 of this Information Booklet sets out more detailed information on the use of funds and Metro’s plans over the coming months.

The Entitlement Offer is fully underwritten by Argonaut Capital Limited and is supported by Metro’s two largest shareholders, Greenstone and Balanced Property. Both Greenstone and Balanced Property have committed to taking up their full entitlements under the Entitlement Offer. Balanced Property has also committed to priority sub-underwrite the Entitlement Offer up to 19.9% interest in Metro post the Equity Raising.

Metro values the support received from Greenstone and Balanced Property and new institutional investors and considers this support provides strong endorsement of Metro and its future prospects as it rapidly progresses towards becoming Cape York’s leading independent bauxite producer. Further information regarding the underwriting and sub-underwriting arrangements is set out in section 1.4.

The number of New Shares you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that is enclosed in this Information Booklet. If you take up your Entitlement, you can also apply for additional shares under a ‘top-up’ facility (refer to sections 1.5 and 3 of this Information Booklet for more information).

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable, so I would encourage you read this Information Booklet carefully and consider further investment in Metro. You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

The Entitlement Offer closes at 5.00pm (Sydney time) on 17 March 2017.

Please read in full the details on how to submit your application, which are set out in this Information Booklet. For further information regarding the Entitlement Offer, please call Metro's Offer Information Line on 1300 560 339 (if calling from within Australia) or +61 2 8011 0354 (if calling from outside of Australia) on weekdays between 9.00am and 5.00pm (Sydney time) or visit the Metro website at www.metromining.com.au.

On behalf of the Board of Metro, I thank you for your ongoing support and look forward to your participation in this further investment in your company.

Yours sincerely

Stephen Everett
Chairman
Metro Mining Limited

Summary of the Equity Raising

Institutional Placement	
Issue Price	$0.125 per Share
Size	126,995,937 Shares
Gross proceeds	Approximately $15.9 million
Entitlement Offer	
Ratio	One New Shares for every two Existing Shares
Issue Price	$0.125 per New Share
Size	292,342,080 New Shares
Gross proceeds	Approximately $36.5 million
Equity Raising	
Total gross proceeds	**Approximately $52.4 million**

Key dates

Activity	Indicative date
Announcement of Equity Raising	24 February 2017
Shares commence trading on ex-entitlement basis	2 March 2017
Record date for Entitlement Offer at 7.00pm	3 March 2017
Settlement of the Institutional Placement	6 March 2017
Allotment and trading of Shares issued under the Institutional Placement	7 March 2017
Information booklet and personalised entitlement and acceptance form dispatched	8 March 2017
Entitlement Offer opens	8 March 2017
Entitlement Offer closes	17 March 2017
New Shares commence trading on a deferred settlement basis	20 March 2017
Settlement of Entitlement Offer	23 March 2017
Allotment of New Shares under the Entitlement Offer	24 March 2017
Trading of New Shares under the Entitlement Offer	27 March 2017

All dates and times are subject to change and are indicative only. Unless otherwise indicated, all times are to Sydney time. Metro, with the consent of the Underwriter, reserves the right to vary these dates and times without notice.

Enquiries

For further information or if you have lost your Entitlement and Acceptance Form, telephone Metro's Offer Information Line on 1300 560 339 (if calling from within Australia) or +61 2 8011 0354 (if calling from outside Australia) on weekdays between 9.00am and 5.00pm (Sydney time) or visit the Metro website at www.metromining.com.au. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

1 Description and effect of the Offer

1.1 Overview of Equity Raising

On 24 February 2017, Metro announced its intention to raise approximately $52.4 million (before offer costs) through:

(a) the Institutional Placement to institutional and sophisticated investors to raise $15.9 million; and

(b) the Entitlement Offer to Eligible Shareholders to raise $36.5 million.

Metro intends to use the proceeds of the Equity Raising, together with available cash reserves to fund:

Use of proceeds	$ million
Purchase of long lead time items for Bauxite Hills Mine and drilling	$6.9
Environmental bonding and expenses	$2.1
Completion of BFS and final approvals for Bauxite Hills Mine	$3.0
Repayment of the Greenstone Loan Facility	$38.8
Repayment of Baffle Box Loan Facility	$8.9
General working capital, corporate expenditure and financing costs (including costs of the Equity Raising)	$6.9
Total	**$66.6**[#]

[#]The proposed Equity Raising of $52.4 million will be supplemented by Metro's existing cash reserves (about $7.2 million as at 14 February 2017) and a new 12 month $40 million facility that Metro has entered into with an associate of Balanced Property. To meet the use of proceeds set out above, Metro would be required to draw-down the new loan facility by approximately $7 million. However, an assessment of how much will be drawn-down will be made after settlement of the Entitlement Offer. A summary of the loan facility is set out on slide 31 of Metro's investor presentation of 24 February 2017.

1.2 Institutional Placement

Shares issued under the Institutional Placement will be issued at the same price as those being offered under the Entitlement Offer. Metro's ASX announcement of 28 February 2017, in relation to completion of the Institutional Placement, is set out in section 2.

1.3 Entitlement Offer

The Entitlement Offer is a non-renounceable offer of approximately 292,342,080 New Shares at $0.125 per New Share to raise approximately $36.5 million (before offer costs).

Eligible Shareholders are entitled to subscribe for one New Share for every two Shares held by them at 7.00pm (Sydney time) on the Record Date (**Entitlement**).

Fractional Entitlements will be rounded up to the nearest whole number of New Shares.

The issue price of $0.125 per New Share represents a discount of 19.4% to the closing price of Metro shares on 23 February 2017 (being the last trading day before announcement of the Equity Raising) and a discount of 12.3% to the Theoretical Ex-Rights Price (**TERP**).[1]

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on ASX, nor can they be transferred or otherwise disposed of.

An Entitlement and Acceptance Form setting out your Entitlement accompanies this Information Booklet. Eligible Shareholders may subscribe for all or part of their Entitlement.

Shareholders will have their interest in Metro diluted because of the issue of Shares under the Institutional Placement. In addition, Eligible Shareholders who do not take up all of their Entitlements will have their percentage shareholding in Metro further diluted.

Eligible Shareholders should be aware that an investment in Metro involves risks. The key risks identified by Metro are summarised in the Investor Presentation set out in section 2.

1.4 Underwriting and sub-underwriting

Argonaut Capital Limited is the Underwriter to the Entitlement Offer and has underwritten the full amount of the Entitlement Offer on the terms set out in the Underwriting Agreement. Customary with these types of arrangements:

(a) the Underwriting Agreement includes a number of termination events, including market and commodity related termination events, such as if there is a 10% fall in the S&P / ASX All Ordinaries Index (ASX Code: XAO); S&P / ASX Small Resources Index (ASX Code: XSR); CM Group CBIX Bauxite Index or the Asian Metals Alumina Price Index which persists for three consecutive Business Days;

(b) the Underwriter will receive an underwriting fee equal to 5% of the funds raised under the Entitlement Offer (less the value committed to be subscribed for or sub-underwritten by certain existing shareholders) and a management fee of $50,000 (excluding GST);

(c) the Underwriter is entitled to reimbursement of certain expenses; and

(d) Metro has agreed to indemnify the Underwriter and others against their losses in connection with the Entitlement Offer (except to the extent that such losses arise, either directly or indirectly, out of the negligence, wilful misconduct or fraud on the part of the Underwriter or other indemnified parties).

The Underwriter has advised Metro that the Underwriter has entered into sub-underwriting arrangements with various institutional and sophisticated investors (including investors sourced from the Institutional Placement) and one of Metro's largest Shareholders, Balanced Property. Balanced Property has received a priority sub-underwriting. If the shortfall is sufficient, and Balanced Property takes up its full sub-underwriting commitment, Balanced Property's voting power in Metro would increase to 19.9%. For information on the effect of the Equity Raising on the control of Metro, refer to the cleansing notice issued by Metro under section 708AA(2)(f) of the Corporations Act on 28 February 2017.

Argonaut Securities Pty Limited, a related entity of the Underwriter, is the Lead Manager for the Institutional Placement.

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[1] The Theoretical Ex-Rights Price is the theoretical price at which Metro shares should trade immediately following the ex-date for the Entitlement Offer assuming 100% take up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Metro's shares trade immediately following the ex-date for the Entitlement Offer will depend on many factors and may not approximate TERP.

The Lead Manager will receive a placement fee for managing the Institutional Placement equal to 5% of the funds raised under the Institutional Placement (which may be subject to minor downward adjustment).

1.5 Issue of additional Shares under the Top Up Facility

New Shares not taken up under the Entitlement Offer by the Closing Date will be made available to those Eligible Shareholders who took up their full Entitlement (**Eligible Top-Up Facility Participants**). Eligible Top-Up Facility Participants may apply for additional New Shares from the Entitlement Offer shortfall (**Top-Up Shares**). The Board may elect to cap the number of Top-Up Shares that are allotted to Eligible Top-Up Facility Participants, which it would do in a fair and equitable manner having regard to:

(a) the size of the Entitlement relative to the Top-Up Shares that the Eligible Top-Up Facility Participant has applied for;

(b) the total number of Top-Up Shares available; and

(c) the number of Shares held by the Eligible Top-Up Facility Participant after the issue of New Shares pursuant to the holder's Entitlement.

In particular, in any scale back of allocation of Top-Up Shares, the Board will give priority to Shareholders who, after the allocation of their Entitlement, would not otherwise hold a marketable parcel of Shares. Otherwise, the Board anticipates that it will cap or scale back allocations of Top-Up Shares on a pro-rata basis having regard to their holding as at the Record Date. In any event:

(a) the number of Top-Up Shares available under the Top-Up Facility will not exceed the shortfall from the Entitlement Offer; and

(b) no Top-Up Shares will be issued to an Eligible Top-Up Facility Participant which will result in them increasing their voting power in Metro above 20%.

The allocation policy for Top-Up Shares will be as follows:

(a) Eligible Top-Up Facility Participants who have applied for Top-Up Shares will receive the Top-Up Shares they have applied for up to any cap applied by the Board.

(b) If a scale-back would result in the holder of less than a marketable parcel of shares (as at the Record Date) being allocated a number of Top-Up Shares which, together with New Shares issued pursuant to their Entitlement, was less than a marketable parcel, those Eligible Top-Up Facility Participants will receive sufficient Top-Up Shares to ensure they hold a marketable parcel (at the Issue Price).

1.6 Shortfall facility

A shortfall may arise if applications received for New Shares under the Entitlement Offer (including after the allocation of Top-Up Shares under the Top-Up Facility) are less than the number of New Shares offered and the Underwriter or sub-underwriters do not acquire that shortfall under the underwriting agreement or any sub-underwriting agreement.

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place Shortfall Shares within three months after the Closing Date to either existing or new Shareholders at their discretion. If issued, Shortfall Shares will be issued at a price not less than the Issue Price of New Shares under the Entitlement Offer.

Shareholders will not receive any payment or value for the Entitlements not taken up under the Entitlement Offer that are later taken up as Shortfall Shares.

1.7 Eligibility of Shareholders

The Entitlement Offer is being offered to all Eligible Shareholders.

An Eligible Shareholder is a Shareholder on the Record Date who:

(a) has a registered address on the Metro share register in Australia or New Zealand or is an institutional or professional investor in China, Hong Kong, Cyprus, Kenya or the United Kingdom or who Metro has determined is eligible to participate;

(b) is not in the United States (excluding Greenstone) and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and

(c) is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

Metro, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Shareholder and is therefore able to participate in the Entitlement Offer. Metro disclaims all liability to the maximum extent permitted by law in respect of any determination as to whether a Shareholder is an Eligible Shareholder.

Shareholders that are not Eligible Shareholders are Ineligible Shareholders.

The Entitlement Offer is not being extended to the Ineligible Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in jurisdictions outside Australia or New Zealand.

1.8 Ranking of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with Existing Shares.

1.9 Allotment

Metro has applied for quotation of the New Shares on ASX. It is expected that allotment of the New Shares under the Entitlement Offer will take place no more than five Business Days after the close of the Entitlement Offer.

Application Monies will be held by Metro on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them before trading the New Shares. The sale by an Applicant of New Shares before receiving their holding statement is at the Applicant's own risk.

1.10 Effect on capital structure

Subject to the rounding up of fractional Entitlements and depending on the number of options (if any) that are exercised before the Record Date, the capital structure of Metro following the issue of New Shares is expected to be as follows:

Existing Shares on issue as at 27 February 2017 (announcement of the Equity Raising)	584,684,159
Shares issued under the Institutional Placement#	126,995,937
New Shares to be issued under the Entitlement Offer	292,342,080
Approximate Shares on issue after the Equity Raising	1,004,022,176

The table above assume that no existing options over Metro Shares will be exercised prior to the Record Date. There are 7,547,493 existing options on issue to a small number of officers, advisors and employees of Metro, as set out in the table below.

Options	Exercise price	Expiry date
2,500,000	$0.15	14 December 2017
1,047,493	$0.04	5 May 2018
4,000,000	$0.08	23 December 2019

Any existing option holders will not be entitled to participate in the Entitlement Offer unless they have become entitled to exercise their options under their terms of issue, and do exercise those options in sufficient time to become the registered holder of Shares prior to the Record Date.

The Board considers it is unlikely that any options will be exercised before the Record Date. However, if any existing options are exercised before the Record Date, any proceeds raised will be applied to the general working capital of Metro.

1.11 Information Availability

Eligible Shareholders can obtain a copy of this Information Booklet from the Metro website at www.metromining.com.au or by calling Metro's Offer Information Line on 1300 560 339 (if calling from within Australia) or +61 2 8011 0354 (if calling from outside Australia) on weekdays between 9.00am and 5.00pm (Sydney time) during the Entitlement Offer period. Persons who access the electronic version of this Information Booklet should ensure that they download and read the entire Information Booklet. The electronic version of this Information Booklet will not include an Entitlement and Acceptance Form. A replacement Entitlement and Acceptance Form can be requested by calling Metro's Offer Information Line.

2 ASX announcement and investor presentation

See following pages 10 to 51.

METRO MINING LIMITED

ASX ANNOUNCEMENT

24 February 2017

$52M Equity Raising to maintain Bauxite Hills Mine Development Momentum & Strengthen Balance Sheet

Highlights

- Institutional Placement to raise up to $15.9 million[1]
- Underwritten non-renounceable entitlement offer to raise approximately $36.5 million
- Up to 419.4 million shares to be issued at a price of $0.125 per New Share
- Equity Raising significantly supported by Metro's long-term cornerstone shareholder Balanced Property
- Another key milestone for Metro following transformational acquisition of Gulf Alumina Limited (Gulf) late last year
- Equity Raising will enable Metro to maintain development momentum at Bauxite Hills Mine and repay bridge loan facilities which supported the Gulf acquisition
- Post Equity Raising, Metro will be fully funded to a decision to mine for the Bauxite Hills Mine.
- Bankable Feasibility Study (BFS) for Bauxite Hills Mine, incorporating benefits of the Gulf acquisition, to be completed in coming weeks
- Metro rapidly progressing towards becoming Cape York's leading independent bauxite producer with full project construction on-track to commence H2 2017

Metro Mining Limited (ASX:MMI) (Metro) is pleased to announce the launch of a $52.4 million equity raising to maintain development momentum at its 100% owned Bauxite Hills Mine, and to repay bridge loan facilities which supported the transformational acquisition of project neighbour Gulf late last year.

Equity Raising

The $52.4 million equity raising will involve the issue of approximately 419.4 million fully paid ordinary shares (New Shares) at an issue price of $0.125 per New Share (Issue Price) and will comprise:

- a placement of approximately 126.9 million New Shares to institutional and sophisticated investors to raise up to $15.9 million (Institutional Placement); and
- a one for two pro-rata non-renounceable entitlement offer of approximately 292.3 million New Shares to raise approximately $36.5 million (Entitlement Offer) (together the Equity Raising).

The Institutional Placement shares will not be entitled to participate in the Entitlement Offer. Upon completion of the Equity Raising Metro will have approximately 1,004 million Shares on issue.

Based on Metro's closing share price as at 23 February 2017 the Issue Price for the Equity Raising represents:

- a 12.3% discount to the theoretical ex-rights price (TERP);
- a 19.4% discount to the last traded price of Metro shares; and
- a 20.8% discount to 30-day VWAP of Metro shares.

Use of Funds

The proceeds from the Equity Raising will be used to fund:

- Purchase of long lead time items and grade control items required for Bauxite Hills Mine (~$6.9m)
- Environmental bonding required for commencement of early works (~$2.1m)
- Completion of BFS and final project approvals (~$3.0m)
- Contribution to full repayment of bridging loan facilities related to Gulf acquisition (~$40.4m)

Underwriting & Key Shareholder Support

Argonaut is acting as sole lead manager to the Institutional Placement and underwriter for the Entitlement Offer.

The Equity Raising will be significantly supported by Metro's long-term cornerstone shareholder and successful resources investor Balanced Property, which has a proven track record of identifying, developing and operating bulk commodity projects in Queensland.

1. *In respect of the Institutional Placement, 24,903,903 shares ($3.1 million) have been reserved for Greenstone pursuant to its anti-dilution rights. If Greenstone does not elect to take up those shares, the Lead Manager will look to place these reserved shares to other institutional investors*
2. *The Theoretical Ex-Rights Price (TERP) is the theoretical price at which Metro shares should trade immediately following the ex-date for the Entitlement Offer assuming 100% take up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Metro's shares trade immediately following the ex-date for the Entitlement Offer will depend on many factors and may not approximate TERP. The TERP includes New Shares issued under the Placement*

Balanced Property has committed to subscribe for its 12.4% pro-rata entitlement in the Entitlement Offer and to priority sub-underwrite the Entitlement Offer up to a 19.9% relevant interest in Metro post Equity Raising. It is expected that Balanced Property will invest approximately $16.0 million in the Equity Raising.

Strategic investor Greenstone has anti-dilution rights to maintain its 19.6% interest.

Following the Equity Raising, Metro will be fully funded through to a decision to mine for the Bauxite Hill Mine.

Metro entered a new loan facility with an associate of Balanced Property to facilitate repayment of the existing loan facility with Greenstone and to ensure Metro has sufficient liquidity to continue to rapidly advance the Bauxite Hills Mine toward production. The new loan facility can be repaid by Metro at any time with no penalty.

For more information regarding the equity raising, refer to the Investor Presentation that Metro lodged with ASX today which may be downloaded from ASX's website, www.asx.com.au

Metro's Managing Director, Simon Finnis, said:

> *"The Equity Raising represents another major milestone for Metro. This Equity Raising allows Metro to take advantage of the transformational Gulf acquisition benefits by maintaining development momentum at Bauxite Hills Mine and to strengthen the balance sheet ahead of project construction."*
>
> *"We are also delighted to have the ability to introduce new institutional investors to the register while at the same time providing existing shareholders the opportunity to invest further in Metro at this exciting time".*
>
> *"It's also important to acknowledge Greenstone's and Balanced Property's significant and continued support which provides a strong endorsement of Metro, and Metro's future prospects, as we rapidly progress toward becoming a leading independent bauxite producer."*

Institutional Placement

The Institutional Placement is being made under Metro's expanded 15% annual issuing capacity for the purposes of ASX Listing Rule 7.1 and therefore shareholder approval for the issue of New Shares under the Institutional Placement is not required.

Settlement of the Institutional Placement is expected to occur on 6 March 2017, with the Institutional Placement shares to be allotted on 7 March 2017.

Entitlement Offer

The Entitlement Offer consists of a non-renounceable entitlement offer of one new ordinary share in Metro for every two existing shares held at 7.00pm (Sydney time) on 3 March 2017 (Record Date) at the Offer Price (Entitlements).

Participation in the Entitlement Offer will be open to Metro shareholders who are registered holders of shares on the Record Date and who have a registered address in Australia or New Zealand and certain categories of institutional or professional investors in China, Hong Kong, Cyprus, Kenya or the United Kingdom who Metro determines are eligible to participate, subject to restrictions under and in accordance with the applicable securities laws **(Eligible Shareholders).**

Further details regarding international selling restrictions are set out in the Investor Presentation.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value for the Entitlements they would have received had they been eligible.

Approximately 292.3 million New Shares will be issued as part of the Entitlement Offer. New shares issued under the Entitlement Offer will rank equally with existing shares.

The Entitlement Offer will include a top-up facility under which Eligible Shareholders who take up their full Entitlement will be invited to apply for additional shares in the Entitlement Offer from a pool of those not taken up by other Eligible Shareholders. There is no guarantee that applicants under this top-up facility will receive all or any of the shares they apply for under the facility.

Metro will notify shareholders as to whether they are eligible to participate in the Entitlement Offer.

Further information will be sent to Eligible Shareholders in an information booklet **(Information Booklet)** and accompanying personalised entitlement and acceptance form, which are expected to be dispatched on or around 8 March 2017. A copy of the Information Booklet will be made available on ASX's website on 28 February 2017. Metro will also dispatch a letter about the Entitlement Offer to each holder of options to subscribe for Metro shares.

Activity	Indicative date
Trading halt and announcement of Equity Raising	24 February 2017
Institutional Placement opens	24 February 2017
Institutional Placement closes	24 February 2017
Announcement of Institutional Placement results	28 February 2017
Trading halt lifted	28 February 2017
Shares commence trading on an ex-entitlement basis	2 March 2017
Record Date 7.00pm (Sydney time)	3 March 2017
Settlement of the Institutional Placement	6 March 2017
Allotment and trading of Shares issued under the Institutional Placement	7 March 2017
Information booklet and personalised entitlement and acceptance form dispatched	8 March 2017
Entitlement Offer opens	8 March 2017
Entitlement Offer closes at 5.00pm (Sydney time)	17 March 2017
New Shares commence trading on a deferred settlement basis	20 March 2017
Settlement of Entitlement Offer	23 March 2017
Allotment of New Shares under the Entitlement Offer	24 March 2017
Trading of New Shares under the Entitlement Offer	27 March 2017

ASX Announcement | 24 February 2017 | Page 4

Further information

Should you have any queries in relation to the Entitlement Offer, please contact Metro's company secretary, Scott Waddell, on +61 7 3009 8000 on weekdays between 9.00am and 5.00pm (Brisbane time). Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

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This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Metro does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

METRO MINING LIMITED

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Contact: Simon Finnis, **Managing Director** | Scott Waddell, **Company Secretary**

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METRO MINING LIMITED

Equity Raising Investor Presentation

24 February 2017

Important Information

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Competent Person Statement
The information in this presentation that relates to Gulf Alumina Limited's (**Gulf**) Mineral Resources is based on information compiled by Jeff Randall of Geos Mining, a consultancy group contracted by Metro Mining Limited. Mr Randell is a Member of the Australian Institute of Geoscientists (MAIG), a Registered Professional Geoscientist (Rage) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (**JORC Code**). Mr Randell consents to the inclusion in this presentation of the matters based on information in the form and context in which it appears.

Competent Person Statement
The information in this presentation that relates to Metro is based on information compiled by Neil McLean who is a consultant of Metro Mining Limited. Mr McLean is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Mr McLean consents to the inclusion in this presentation of the matters based on information in the form and context in which it appears.

Competent Person Statement
The information in this presentation that relates to Gulf 's Ore Reserves is based on information compiled by John Wyche of Australian Mine Design & Development (AMDAD), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. John Wyche is a full-time employee of AMDAD. John Wyche has sufficient experience that is relevant to the style of mineralization, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. John Wyche consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Competent Person Statement
The information in this presentation that relates to Metro Reserves is based on information compiled by MEC Mining and reviewed by Edward Bolton, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Edward Bolton is a full-time employee of MEC Mining Pty Ltd. Edward Bolton has sufficient experience that is relevant to the style of mineralization, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Edward Bolton consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Cautionary note regarding reserves and resources
You should be aware that as an Australian company with securities listed on the ASX, Metro is required to report reserves and resources in accordance with the JORC Code. You should note that while Metro's reserve and resource estimates comply with the JORC Code, they may not comply with the relevant guidelines in other countries and, in particular, do not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the US Securities and Exchange Commission. Information contained in this presentation describing Metro's mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of US securities laws. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as 'resources' will be converted to reserves under the JORC Code or any other reporting regime or that Metro will be able to legally and economically extract them.

Forward-looking statements
Statements and material contained in this presentation, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of Metro, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Graphs used in the presentation (including data used in the graphs) are sourced from third parties and Metro has not independently verified the information. Metro is at an early development stage and while it does not currently have an operating bauxite mine it is taking early and preliminary steps (such as but not limited to Prefeasibility studies etc.) that are intended to ultimately result in the building and construction of an operating mine at its project areas. Although reasonable care has been taken to ensure that the facts stated in this Presentation are accurate and or that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this Presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

Currency
All references to '$' are to Australian currency (AUD) unless otherwise noted.

2

Executive Summary

Metro is undertaking an equity raising of up to approximately $52 million

- **Institutional placement to raise up to $15.9 million**
- **Underwritten 1 for 2 pro-rata non-renounceable entitlement offer to raise approximately $36.5 million**
- **Proceeds from equity raising will enable Metro to:**
  - Continue to rapidly advance Bauxite Hills Mine into development by ordering long lead time items required, providing environmental bonding so early works can commence and completing BFS and final project approvals
  - Repay bridge loan facilities related to Gulf acquisition
- **Equity raising significantly sub-underwritten by Metro's long-term cornerstone shareholder Balanced Property**
- **Post equity raising Metro will be fully funded to decision to mine**
- **Bankable Feasibility Study (BFS) for Bauxite Hills Mine, incorporating benefits for Gulf acquisition, to be completed in coming weeks**
- **Metro rapidly progressing towards becoming a leading independent bauxite producer with full project construction on-track to commence H2 2017 with first production H1 2018**

3

Equity Raising Overview

Offer Structure & Size	■ Equity Raising to raise approximately $52.4 million, comprising: ▸ Institutional Placement to raise between $12.8 million and $15.9 million[1] (**Institutional Placement**); and ▸ 1:2 non-renounceable entitlements offer to raise approximately $36.5 million (**Entitlement Offer**). ■ Approximately 419.3 million new Metro shares (**New Shares**) will be issued.[2] ■ New Shares issued under the Institutional Placement will not be entitled to participate in the Entitlement Offer.
Offer Pricing	■ Offer price of $0.125 per New Share, which as of 23 February 2017 represents a: ▸ 12.3% discount to TERP[3] of $0.142; ▸ 19.4% discount to the last closing price of $0.155; and ▸ 20.8% discount to the 30 day VWAP of $0.158.
Use of Proceeds	■ Purchase of long lead time items and grade control drilling required for Bauxite Hills Mine (~$6.9m) ■ Environmental bonding required for commencement of early works (~$2.1m) ■ Completion of BFS and final project approvals (~$3.0m) ■ Contribution to full repayment of debt facilities related to Gulf acquisition (~$40.4m)
Key Shareholder Support	■ Balanced Property has committed to subscribe for its 12.4% pro-rata entitlement and to priority sub-underwrite the entitlement offer up to a 19.9% ownership interest post Equity Raising and is expected to invest approximately $16 million.
Underwriting	■ Entitlement Offer underwritten by Argonaut Capital Limited.
Lead Manager	■ Argonaut Securities Pty Limited.
Ranking	■ New shares issued under the Equity Raising will rank equally with existing Metro shares.

[1] Includes 24,903,903 shares ($3.1 million) reserved for Greenstone pursuant to its anti-dilution rights (see slide 31)
[2] Metro will have approximately 1,004,022,176 shares on issue following completion of the Equity Raising
[3] The Theoretical Ex-Rights Price (**TERP**) is the theoretical price at which Metro shares should trade immediately following the ex-date for the Entitlement Offer assuming 100% take up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Metro's shares trade immediately following the ex-date for the Entitlement Offer will depend on many factors and may not approximate TERP. The TERP includes New Shares issued under the Placement.

4

Timetable

Event	Time/Date[1]
Trading Halt and Announcement of Equity Raising	Pre-open, Friday, 24 February 2017
Institutional Placement Opens	10 am, Friday, 24 February 2017
Institutional Placement Closes	**6.00pm, Friday, 24 February 2017**
Announcement of Institutional Placement Outcome and trading re-commences	Tuesday, 28 February 2017
Trading in Metro Shares on an ex-entitlement basis	Thursday, 2 March 2017
Record date for Entitlements Offer	7:00pm, Friday, 3 March 2017
Settlement of the Institutional Placement	Monday, 6 March 2017
Allotment and trading of Shares issued under the Institutional Placement	**Tuesday, 7 March 2017**
Information Booklet for Entitlement Offer Dispatched	Wednesday, 8 March 2017
Entitlement Offer opens	Wednesday, 8 March 2017
Entitlement Offer closes	5:00pm, Friday, 17 March 2017
New Shares commence trading on a deferred settlement basis	Monday, 20 March 2017
Settlement of Entitlement Offer	**Thursday, 23 March 2017**
Allotment of New Shares under the Entitlement Offer	Friday, 24 March 2017
Trading of New Shares under the Entitlement Offer	**Monday, 27 March 2017**

[1] All dates and times are subject to change and are indicative only. Unless otherwise indicated, all times are to Sydney time. Metro, with the consent of the Underwriter, reserves the right to vary these dates and times without notice.

5

Sources & Uses to Decision to Mine

The equity raising, combined with existing cash and new loan facility will enable Metro to maintain its development momentum through to a decision to mine and enable repayment of bridge facilities related to Gulf acquisition

Sources[1]		Amount
Cash on Hand (as at 23-Feb-17)		**$7.2m**
Equity Raising		
■ Institutional Placement	$15.9m[3]	
■ Entitlement Offer	$36.5m	**$52.4m**
New Loan Facility[2]		**$7.0m**
Total		**$66.6m**

Uses[1]		Amount
Project Expenditure		
■ Long Lead Items & Drilling	$6.9m	
■ Environmental Bonding & Expenses	$2.1m	
■ Completion of BFS & Final Approvals	$3.0m	**$12.0m**
Bridge Loan Repayment		
■ Greenstone Loan Facility	$38.8m	
■ Baffle Box Loan Facility	$8.9m	**$47.7m**
General Working Capital & Costs		**$6.9m**
Total		**$66.6m**

1. Values in Sources and Uses table have been rounded to one decimal point
2. To underwrite repayment of Greenstone Loan Facility and to ensure Metro retains working capital flexibility to rapidly advance Bauxite Hills Mine into production, Metro has entered into an unsecured, 12 month $40m facility with an entity associated with Balanced Property. Following completion of the Equity Raising Metro expects that the new loan facility will be partly drawn down. The new facility can be repaid by Metro at any time
3. In the event that Greenstone does not exercise its anti-dilution rights, the Lead Manager will look to place these reserved shares to other institutional investors

6

Market Metrics & Balance Sheet

Metro balance sheet will be significantly strengthened with ~$19 million in cash post equity raising

Key Information	Pre Equity Raising	Post Equity Raising[3]
Share Price (23-Feb-17)	$0.155	n/a
Shares outstanding	584.7m	1,004.0m[4]
Unquoted options	7.5m	7.5m
Market Capitalisation[1]	**$90.6m**	**$143.0m[5]**
Cash[2]	$7.2m	$18.9m
Debt[2]	($47.7m)	($7.0m)
Net Cash (Debt)	**($40.5m)**	**$11.9m**
Enterprise Value	**$131.1m**	**$131.1m**

[1] Market capitalisation is based on the share price of $0.155 as at 23 February 2017
[2] Cash and debt immediately pre and post raising.
[3] Pro forma assumes Equity Raising gross proceeds of $52.4 million and debt repayment of $47.7 million and drawdown under the new loan facility of $7.0 million
[4] Existing shares on issue plus 419.3 million new shares issued as part of the Equity Raising
[5] Theoretical pro forma market capitalisation assumes pre-Equity Raising market capitalisation plus gross Equity Raising proceeds

7

Metro Overview

Metro Highlights

Simple project, attractive fundamentals, proven team, near term production and compelling economics

1. Transformational acquisition of project neighbour Gulf completed December 2016
2. Bauxite fundamentals & price outlook remain strong driven by growing China seaborne demand
3. Simple DSO project well located in Cape York with key freight advantage to China
4. Excellent economics confirmed by 2016 PFS for standalone Metro operation – low capex (~A$40m), high margins with average annual EBITDA of ~A$134m over 13 year LOM*
5. Attractive off-take secured with Xinfa, China's second largest bauxite importer
6. Clear development pathway being accelerated and optimised by proven team
7. Compelling investment proposition with production on track for H1 2018

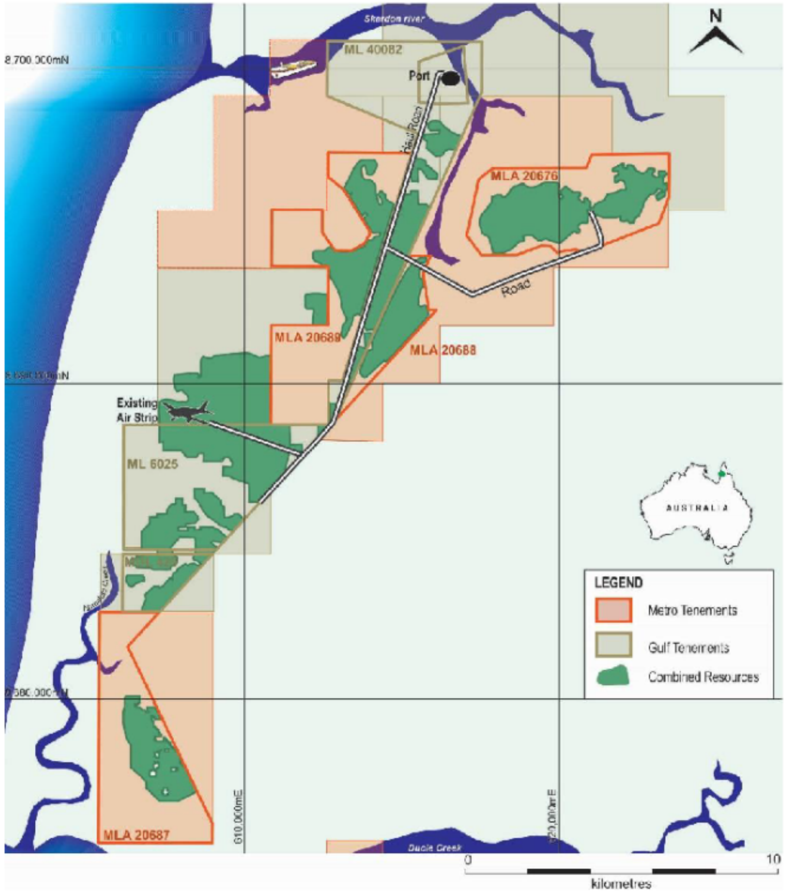
9

* MMI confirms all material assumptions underpinning the production target and corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2.

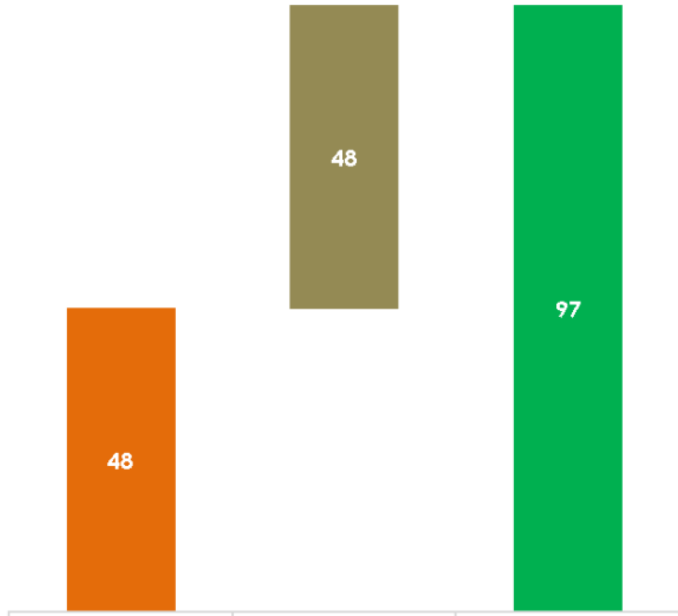
Gulf Acquisition Completed

Logical consolidation creating globally significant reserve base

Project Locations



JORC Reserves (Mt)*



	Metro Bauxite Hills Project	Gulf Skardon River Project	Combined Bauxite Hills Mine
THA	38.4%	40.4%	39.4%
RxSi	6.4%	6.3%	6.3%

*For further Reserve and Resource details see appendix Slide 29.

Transformational Combination Benefits

Combined project has significant synergies

Key Project Attributes

	Metro Bauxite Hills Project	Gulf Skardon River Project	Combined Bauxite Hills Mine
Native Title & Land Access	✓	✓	✓
Existing Infrastructure	-	✓	✓
Environmental Approval	Pending 5Mtpa	✓ 5Mtpa	✓ 5Mtpa 10Mtpa – pending
Strategic Investor Support	✓ GREENSTONE CAPITAL	-	✓
Off-take	✓ 信发集团 XINFA GROUP	-	✓
Transhipment Solution	✓ TSA	-	✓
BFS	✓ MEC MINING	-	In progress

11

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Valuable Infrastructure Secured

New access to existing infrastructure provides valuable advantages

Port & Load Out Area

Airstrip

Camp Site

Airstrip

12

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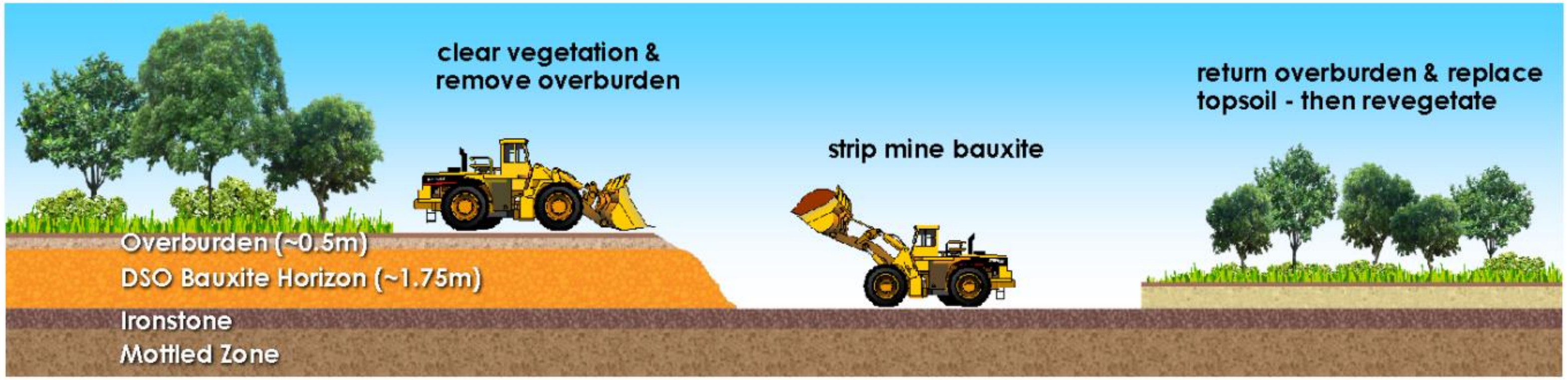
Enhanced Operational Simplicity

Operations have been further simplified with flexibility gained – no tenement offset mining boundaries and single mine fleet

Mining



Transportation

Haul ore 5 - 10km to stockpile & barge loading facility

Barge ore 8km down Skardon River

Tranship to bulk carrier for export

13

Excellent Economics

Excellent economics previously confirmed by robust PFS for standalone Metro project

PFS Highlights*

- Completed by MEC Mining in January 2016
- Based on DFS for 2Mtpa completed in November 2015
- Greenfield development
- Contract mining and transhipment operation
- 5 month construction period
- 4Mtpa steady state (2Mtpa for years 1 & 2)
- 8 months per year dry season operation (April to November)
- 24 hour operation post ramp up
- Low capex and competitive 2nd quartile cash costs based on bauxite imports into China
- Independent product specific price forecasts provided by market leading CM Group

Key Results*

Steady State Production	4Mtpa
LOM Production	49.1Mt
Mine Life	13 years
Capex (inc 15% contingency)	A$40.1m
Bauxite Price (FOB)	US$38.6-45.4/t
Exchange Rate (AUD/USD)	0.75
LOM Average Total Operating Costs	A$18.8/t
LOM Average Operating Margin	A$33.6/t
LOM Average Annual EBITDA	A$133.6m
Payback Period	1.2 years
NPV_{10} (post-tax)	A$582m
IRR	156%

14

* MMI confirms all material assumptions underpinning the production target and corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2.

Pending BFS to Confirm Synergies

Enhanced scale & infrastructure benefits expected in pending BFS to be finalised in March 2017

	Previous Metro Production Scenario (PFS)*	Potential Change
Mine Inventory	49.1Mt	↑ ~100%
Annual Production (Steady State)	4Mtpa	↑ ~50%
Construction Time	5 months	↓ 1 - 2 months
Capex	A$40.1m	↓ A$5 - $10m
Total Opex (ex-royalties)	A$18.8/t	↓ 5 - 10%
Average Annual EBITDA	A$133.6m	↑ Overall positive[1]

* Refer MMI ASX Release 27 January 2016

1. The 'Potential Change' column represents Metro's best estimate of the likely benefits of the combination of Gulf's Skardon River Project and Metro's Bauxite Hills Project. Substantial increase in production and modest reduction in opex will lead to an improvement in EBITDA, however final pricing and Chinese VAT assumptions will have a meaningful impact. The previous Metro production scenario PFS completed in January 2016 was based on assumed bauxite pricing of US$38.6-45.4/t (FOB basis) and AUD/USD of 0.75. The final pricing is yet to be determined but Metro is aware that the price has softened since the PFS was completed.

Corporate Snapshot

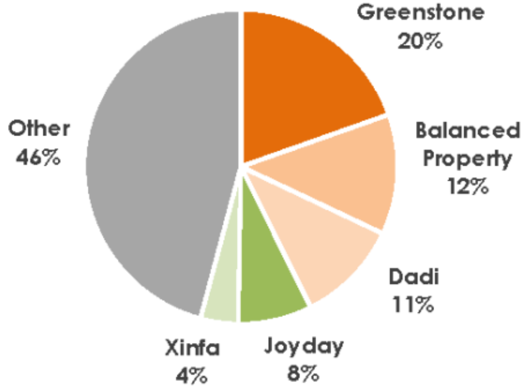
Capital Structure (Pre Equity Raising)

Share Price (23-Feb-17)	$0.155
Shares on Issue	584.7m
Market Cap	**$90.6m**
Options	7.5m
Cash (22-Feb-17)	$7.2m
Unsecured Debt[1]	$47.7m
Enterprise Value	**$131.1m**

Board of Directors

Stephen Everett Chairman	Simon Finnis Managing Director & CEO
Philip Hennessy Non-Executive Director	George Lloyd Non-Executive Director
Dongping Wang Non-Executive Director	Lindsay Ward Non-Executive Director
Jijun Liu Non-Executive Director	Mark Sawyer Non-Executive Director

Shareholders (Pre Equity Raising)

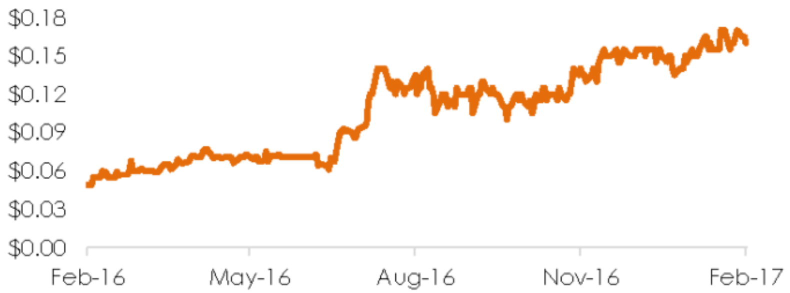


Broker Coverage

ARGONAUT — BUY (Dec-16) TP: $0.38

Morgans in alliance with CIMB — BUY (Jul-16) TP: $0.20

Share Price – LTM



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16

1. Unsecured bridge financing for Gulf acquisition comprising $8.9m with an entity associated with Balanced Property and $38.8m with Greenstone. See slide 31 for further details.

Proven Team to Deliver

Metro's board & management team have been involved in successfully developing and operating over 30 mines globally

Key Team

Simon Finnis
MD & CEO
- Joined Metro as CEO in early 2015
- Mining executive with +30 years experience
- Former CEO of Grande Côte Minerals Sands operations in Senegal and responsible for $650m greenfield project development

Operational

Charles Easton
GM, Bauxite Hills Mine
- Geologist, +40 years experience
- Previous GM at Thiess
- 5 years at Weipa managing mine planning & refinery performance

Mike O'Brien
Project Director
- Mining engineer with +40 years experience
- +25 years senior management experience with Anglo American and Shell

Environmental

Colleen Fish
Environmental Manager
- Environmental scientist with +25 years experience
- Former Environmental Manager for Peabody, QLD

Nick Villa
Project Manager
- Geologist with +15 years experience in exploration, development and mine permitting

Commercial

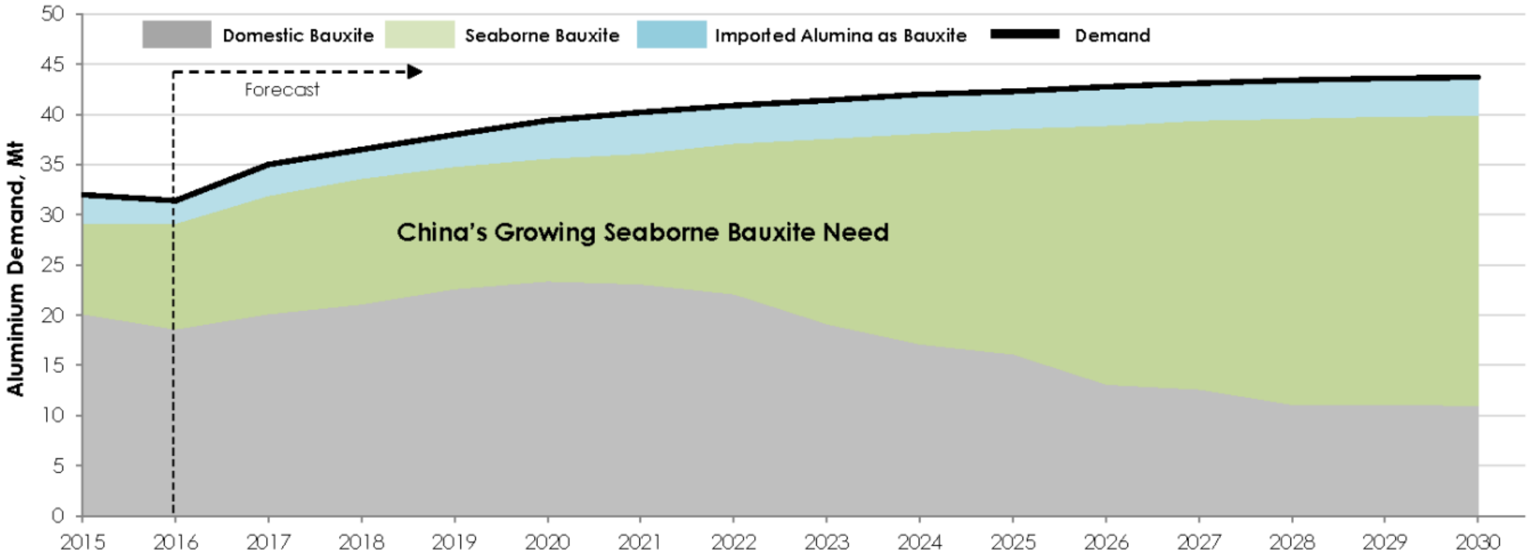
Scott Waddell
CFO & Company Secretary
- CPA with extensive experience in global bauxite & alumina sectors
- Past senior roles with Anglo and Rio Tinto Alcan
- Senior roles with Metro since 2010

Norman Ting
GM, Marketing
- +30 years bauxite industry & marketing experience
- Former Chairman Traxys China and senior executive of WOGEN in UK, Hong Kong & China

Strong China Demand Fundamentals

Seaborne bauxite is a growing component in China's aluminium production due to declining domestic reserves (<10 years) and growth in coastal refining & smelting

China Aluminium Demand by Bauxite Source[1]



[1] Diagram based on alumina production with alumina factored to bauxite at 2.7t/t

CM Group forecasts China's seaborne bauxite imports to grow from ~50Mtpa in 2015 to ~150Mtpa by 2030, representing CAGR of ~7%

Source: CM Group

18

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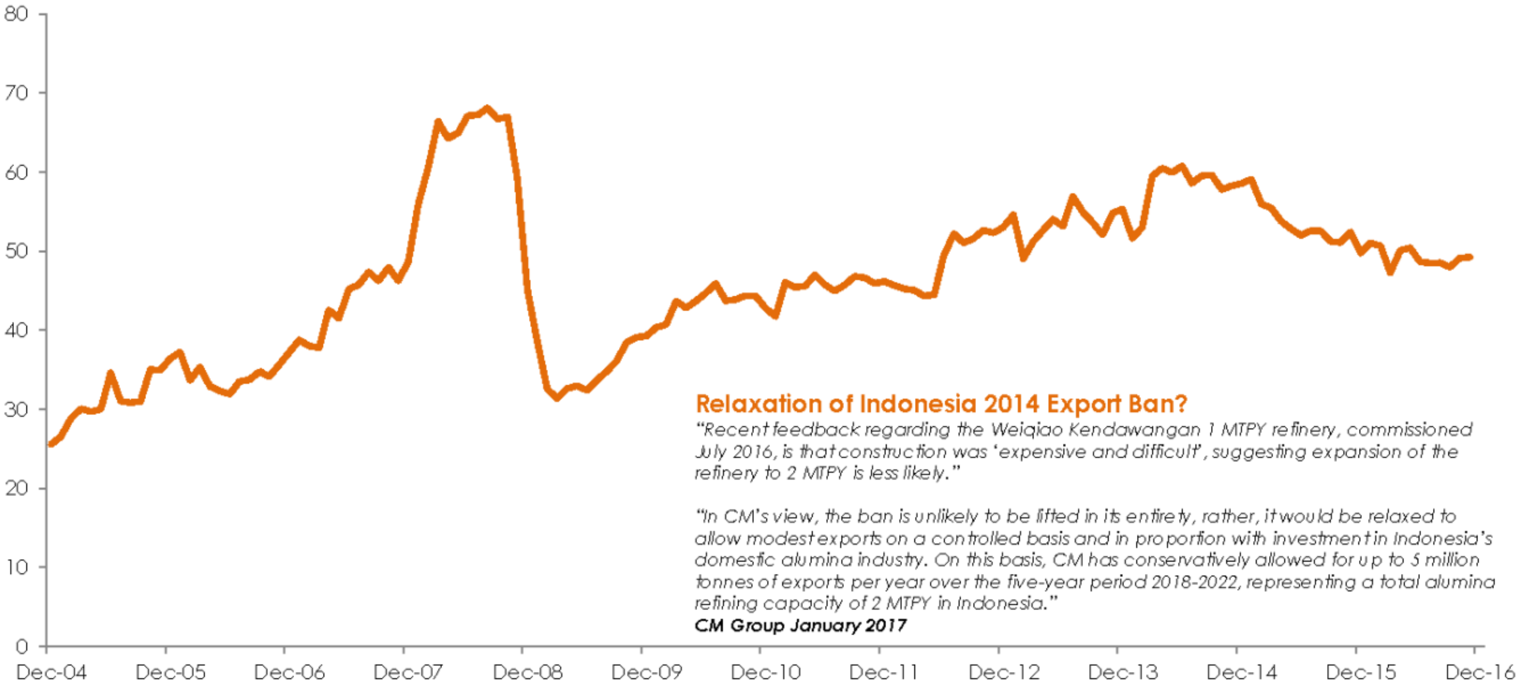
Bauxite Price Outlook Remains Attractive

Bauxite price outlook remains positive with Metro's proximity to China a key competitive advantage

Bauxite Price CIF China (US$/t, ViU unadjusted)



Source: CM Group

19

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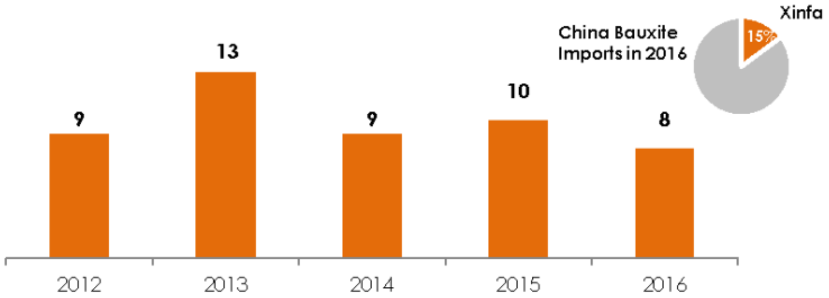
Xinfa Off-take

Off-take secured with China's second largest bauxite importer with attractive market linked pricing

Xinfa Overview

History	Founded in 1972
Company Type	Private, integrated aluminium company
Operating Presence	Refining & smelting operations in Shandong, Shanxi, Guangxi and Xinjiang provinces
Employees	Approximately 60,000
Bauxite Imports	China's second largest importer of approximately 10Mtpa

Xinfa Bauxite Imports – Last 5 Years (Mt)



Source: CM Group

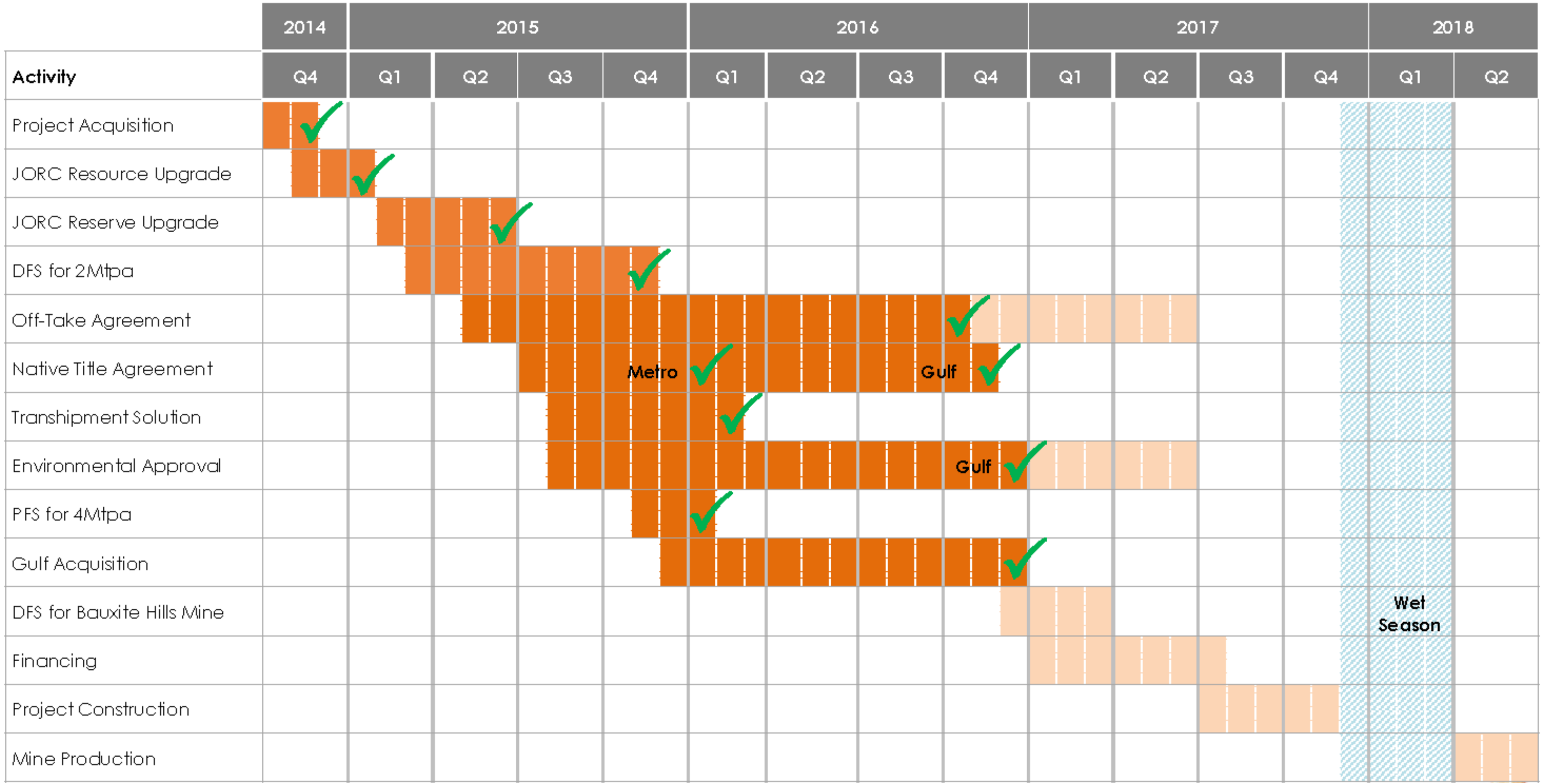
20

Key Off-take Terms

Term	4 years
Total Tonnage	7Mt
Annual Tonnage	1Mt for year 1 2Mt for years 2 to 4
Pricing	CIF basis
Reference Price	Established alumina index
Payment Terms	Irrevocable Letter of Credit for each shipment
Product Spec	Defined parameters with bonus / penalty arrangements
'Take or Pay'	Yes
Shipping	Agreed annually in advance

Near Term Production Pathway

Well established pathway - no red flags - significant interest from debt financiers - production on track for H1 2018



21

Summary

Metro is set for significant value realisation

1. Gulf acquisition transformational
2. Development plan being accelerated and optimised
3. BFS to reflect scale and infrastructure benefits and should be finalised end of February
4. Clear pathway to production
5. Construction on track to commence H2 2017
6. Production on track for H1 2018
7. Compelling metrics and significant share price upside
8. Strengthened balance sheet

Background information on Metro

Board of Directors

Stephen Everett **Chairman**	■ Chemical engineer with over 40 years experience in the resources and construction industries both in Australia and overseas ■ Formerly Chairman of BeMaX, Australian Solomons Gold, JMS Civil & Mining and Iron Ridge Resources
Simon Finnis **Managing Director & CEO**	■ Over 30 years experience in resources industry having working throughout Australia in underground and open cut mining operations. Holds Masters in Business & Technology from University of New South Wales ■ Former CEO of Grande Côte Minerals Sands Operations in Senegal
Philip Hennessy **Non-Executive Director**	■ Over 30 years experience in accounting and corporate experience ■ Chairman KPMG Queensland for 13 years prior to retiring in 2013
George Lloyd **Non-Executive Director**	■ Over 30 years resource industry experience including senior executive and board roles ■ Previously Chairman of Cape Alumina for 5 years ■ Chairman of Ausenco
Lindsay Ward **Non-Executive Director**	■ Over 25 years experience with senior executive and board roles in mining, exploration, mineral processing, ports, rail, power generation, gas transmission and logistics ■ Former Managing Director of Dart Mining and previously Mine Manager of the Yallourn Energy open cut coal mine in Victoria
Mark Sawyer **Non-Executive Director**	■ Greenstone co-founder and Senior Partner with over a 19 year career in the mining sector ■ Former roles include co-head of group business development at Xstrata and senior roles at Rio Tinto and Cutfield Freeman
Jijun Liu **Non-Executive Director**	■ Engineer with over 30 years experience in energy and resources ■ Managing Director of the Xinfa which controls one of the largest alumina-aluminium enterprises in China
Dongping Wang **Non-Executive Director**	■ Over 30 years experience mining and prominent figure in the Chinese coal industry and recognised as coal processing expert ■ Chairman of Dadi Engineering which is one of China's largest coal industry engineering groups

24

Alumina Index Pricing

Alumina price has been relatively stable with Xinfa off-take pricing providing Metro attractive margins and upside

Asianmetal 98.5% Alumina Index China RMB/t (March 2007 to Present)

25

Transhipment Overview

Barging and transhipment is well understood and is to be provided by a proven operator in TSA

TRANSHIPMENT SERVICES AUSTRALIA

Barge Loading Facility (BLF)
Suitable water at low tide at Skardon River Port

Tugs & 'Dumb' Barges
Barge capacity of 2,500t - 3,800t depending on tide

Geared Ship Loading
(Panamax vessels loaded~12km offshore)

Key Points

- TSA previously provided comparable tug and barge towage services for an iron ore producer operating out of Wyndham's, Cambridge Gulf in Western Australia
- TSA will provide and operate all tugs and barges

26

METRO MINING LIMITED

Metro Standalone PFS – Key Outcomes

Key Assumptions*

Annual Production Rate (Steady State)	4.0Mt*
LOM Production	49.1Mt*
Mine Life	13 years*
Bauxite Price (FOB)	US$38.60-45.40/t
Exchange Rate (AUD/USD)	0.75
Discount Rate	10% / 15%
Pre-Mining Development Capital Expenditure	A$40.1m
Deferred and Sustaining Capital Expenditure	A$4.9m
Working Capital	A$4.0m

Key Results*

NPV (10% DR, Real, after tax)	A$582m
NPV (15% DR, Real, after tax)	A$440m
IRR	156%
Payback Period	1.2 years*
Total LOM Revenue	A$2.9b
LOM Average Annual EBITDA	A$133.6m
LOM Average Annual NPAT	A$91.6m
LOM Average Operating Margin	A$33.66/t
LOM Average Opex (ex-Royalties)	A$18.80/t
LOM Total Operating Costs	A$26.07/t

*Refer MMI ASX Release 27 January 2016

27

Metro Standalone PFS – CAPEX & OPEX

Capex*

Haul roads and site establishment	A$3.03m
Navigational aids and cyclone moorings	A$1.15m
Site Infrastructure including BLF and accommodation camp	A$27.63m
Mining and ancillary equipment	A$6.18m
Mobilisation, insurances and EPC design	A$2.11m
Total	A$40.10m

Opex*

Mining, haulage and operation of BLF	A$6.27/t
Transhipment activities	A$8.40/t
Site and administrative costs	A$4.13/t
Total Operating Costs (ex-royalties)	A$18.80/t
Royalties and other costs	A$7.27/t
Total	A$26.07/t

*Refer MMI ASX Release 27 January 2016

28

METRO MINING LIMITED

Reserves & Resources

Bauxite Hills DSO Bauxite Reserves & Resources* (Metro)

Area	Category	DSO[2] Tonnes Mt[1]	DSO Bauxite Qualities (Dry Basis)			
			Total Al_2O_3 %	THA[3] %	Total SiO_2 %	RxSi[4] (%) %
Reserves (ROM @ 10% Moisture)						
BH1 & BH6	Proved [5]	41.8	50.7	38.6	10.9	6.3
BH1 & BH6	Probable [6]	6.4	49.3	36.8	13.4	6.9
	Total	**48.2**	**50.2**	**38.4**	**11.2**	**6.4**
Resources (Dry In-situ)						
BH1 & BH6	Measured	41.8	51	39.2	11	6.1
BH1 & BH6	Indicated	8.3	49.3	37.1	14	6.8
BH2	Indicated	11.7	49.1	37.4	15.7	6.7
BH1 & BH6	Inferred	3.4	48.4	35.9	14.8	7.2
	Total	**65.3**	**50.2**	**38.4**	**12.4**	**6.3**

Skardon River DSO Bauxite Reserves & Resources* (Gulf)

Category	DSO[2] Tonnes Mt[1]	DSO Bauxite Qualities (Dry Basis)			
		Total Al_2O_3 %	SiO_2 %	Total $RSiO_2$ %	AAl_2O_3 %
Reserves					
Proved	16.6	49.8	14.3	6.1	41.4
Probable	31.8	49.2	15.0	6.4	39.8
Total	**48.3**	**49.4**	**14.7**	**6.3**	**40.3**
Resources					
Measured	16.6	50.2	13.9	5.9	41.7
Indicated	32.3	49.4	14.15	6.2	40.0
Inferred	14.6	49.4	14.3	6.1	39.8
Total	**63.5**	**49.6**	**14.3**	**6.1**	**40.4**

1. *For BH1, BH2 and BH6 the tonnages are calculated using the following default bulk densities determined from a program of sonic drilling; 1.6g/cm³ for BH1, 1.92g/cm³ for BH2 and 2g/cm³ for BH6. Actual values are used where measurements have been taken*
2. *DSO or "Direct shipping ore" is defined as bauxite that can be exported directly with minimal processing and beneficiation.*
3. *THA is trihydrate available alumina (gibbsite alumina + kaolinite alumina – low temperature desilication product (DSP) alumina) at 150ºC.*
4. *RxSi is reactive silica at 150ºC.*
5. *Proved Reserve - the probable reserve is included in the BH1 & BH6 Measured resource*
6. *Probable Reserve - the probable reserve is included in the BH1 & BH6 Indicated resource*

*Refer MMI ASX Release 18 January 2017 "Bauxite Hills Mine Reserves Doubles to 96Mt"

29

METRO MINING LIMITED

Material agreements

Underwriting agreement

Argonaut Capital Limited is the Lead Manager and Underwriter to the Entitlement Offer and has underwritten the full amount of the Entitlement Offer on the terms set out in the Underwriting Agreement. Customary with these types of arrangements: (a) the Underwriting Agreement includes a number of termination events, including market and commodity related termination events, such as if there is a 10% fall in the S&P / ASX All Ordinaries Index (ASX Code: XAO); S&P / ASX Small Resources Index (ASX Code: XSR); CM Group CBIX Bauxite Index or the Asian Metals Alumina Price Index which persists for three consecutive Business Days; (b) the Underwriter will receive an underwriting fee equal to 5% of the funds raised under the Entitlement Offer (less the value of Shares committed to be subscribed for and/or sub-underwritten by Balanced Property, Greenstone or Dadi) and a management fee of $50,000 (excluding GST); (c) the Underwriter is entitled to reimbursement of certain expenses; and (d) Metro has agreed to indemnify the Underwriter and others against their losses in connection with the Entitlement Offer.

Sub-underwriting agreements

The Underwriter has advised Metro that the Underwriter has entered into sub-underwriting arrangements with various institutional shareholders (sourced from the participants in the Placement, from the Underwriter's sub-underwriting panel and one of Metro's largest Shareholders, Balanced Property (collectively, the **Sub-underwriters**). Balanced Property has entered into priority sub-underwriting for 91,209,141 shares (or such lesser number of Shares that would give Balanced Property voting power of no more than 20% in Metro), which shares will be allocated from the shortfall before being placed to general sub-underwriters. Further information about the effect of the Entitlement Offer on control of Metro is set out in the cleansing notice issued by Metro under section 708AA(2)(f) of the Corporations Act on 27 February 2017.

Transhipment Agreement

Metro and Metro Bauxite Hills Operation Pty Ltd (**Metro Bauxite**) entered into a transhipment agreement with Bauxite Transhipment Services Pty Ltd (**BTS**) pursuant to which BTS has agreed to provide transhipment services for the Bauxite Hills Mine. Under the terms of that agreement (including as varied) BTS is responsible for providing specified tugs and barges for the operations to tranship at a minimum 3 million tonnes of ore per annum, which may be scaled up by Metro Bauxite to 6 million tonnes per annum by giving notice to BTS. BTS has a first right of refusal to offer transhipment services should production increase to over 6 million tonnes per annum. If BTS and Metro cannot reach a binding agreement in relation the increased production, Metro Bauxite is required to provide new barges and/or vessels to increase the transhipping capacity but BTS will continue to perform the transhipment services required. The costs of the transhipment services are subject to both fixed and variable cost components. Metro Bauxite can elect to defer a specified proportion of the fixed cost component during the wet season. Metro guarantees the performance of each of Metro Bauxite's obligations under the agreement. The initial term of the agreement is five years with options to extend on notice. The provision of transhipment services under the agreement is subject to Metro obtaining key mining and environmental approvals, making a decision to mine and obtaining necessary funding to develop the Bauxite Hills Mine. Metro Bauxite may terminate the agreement by notice in writing in the event that mining operations indefinitely cease at the Bauxite Hills Mine or if the continuation of mining operations would result in significant ongoing financial losses.

Material agreements (continued)

Greenstone Loan Facility

In December 2016, Greenstone provided Metro a bridging facility to fund the acquisition by Metro of Gulf shares, together with repayment of outstanding Gulf loans and other costs associated with the acquisition of Gulf (**Greenstone Loan Facility**). At the date of this presentation, approximately $38.8 million is payable under the Greenstone Loan Facility, which is due for payment on or before 16 April 2017.

The Greenstone Loan Facility was provided on an unsecured basis and was negotiated on an arm's length basis, after Metro sought similar loan proposals from a number of parties, and contains terms that are standard for these types of agreements including representations and warranties, undertakings, events of default and fees costs and expenses (including commercially negotiated arrangement fees).

Metro proposes to repay the Greenstone Loan Facility with the proceeds of the capital raising, supplemented as required by the Namrog Investments Loan Facility (summarised below).

Strategic Financing Agreements

As announced to the market on 11 July 2016, Metro executed strategic financing agreements (**Strategic Financing Agreements**) pursuant to which Greenstone became a substantial shareholder in Metro and agreed to provide Metro with ongoing strategic and financial support.

Under the Strategic Financing Agreements, Greenstone made an initial investment of $8.9 million in Metro via a placement of 105 million Shares at $0.085 cents per Share. The placement occurred in two tranches, with the second tranche of Shares issued to Greenstone on 19 September 2016.

The Strategic Financing Agreements contain anti-dilution provisions to enable Greenstone to maintain its equity interest in Metro. The anti-dilution provisions apply while Greenstone has a relevant interest in Metro of 10% to 25%.

Under the Strategic Financing Agreements, Metro has also granted Greenstone the right to nominate customers to purchase bauxite production pro-rata to Greenstone's shareholding (by subscription) in Metro on an arms' length basis and no less favourable terms than could be achieved elsewhere. For the purpose of calculating Greenstone's shareholding, Shares acquired on-market are ignored. Greenstone's customer nomination rights are only exercisable after Metro has been in production for four years. Subject to certain exceptions, the customer nominations rights are contingent upon Greenstone retaining at least a 10% interest in Metro.

Baffle Box Loan Facility

On 19 September 2016, the Baffle Box Mining Pty Ltd ACN 614 547 492 as trustee for the Baffle Box Mining Trust (**Baffle Box**), an entity associated with Balanced Property, provided Metro a loan of $8.5 million to fund the acquisition by Metro of Gulf shares and to use any additional funds for working capital purposes (**Baffle Box Loan Facility**).

Metro proposes to repay the Baffle Box Loan Facility with the proceeds of the capital raising.

Namrog Investments Loan Facility

Metro has recently entered into a loan agreement with Namrog Investments Pty Ltd (**Namrog Investments**), a related entity of Balanced Property, under which Namrog Investments has committed to provide a $40 million loan facility to enable Metro to repay the Greenstone Facility in April 2017. The loan is required to be repaid within 12 months from the date of initial drawdown and may be pre-paid at Metro's election. Interest accrues at a rate of 10% per annum and is payable at the end of each six month period during the loan term. After completion of the capital raising, the lender has the ability to request security over Metro's Bauxite Hills project tenements or all of the shares in the subsidiaries that hold those tenements. The loan agreement is otherwise subject to customary undertakings, representations, warranties and negative covenants. The Board anticipates that it will draw down about $7 million of the loan on or shortly after completion of the Entitlement Offer.

31

Material agreements (continued)

Royalty Agreement

On 20 May 2014, Gulf entered into a minerals royalty deed with RSI (QLD Bauxite) Pty Ltd (**RSI**) (which was arranged by Royalty Stream Investments Pty Ltd (**Arranger**)) whereby Gulf committed to pay a royalty on bauxite and other products produced and sold from designated Skardon River tenements (**Royalty Agreement**).

The royalty rights are consideration for RSI making funding payments totalling $4 million (less the relevant arranging fees payable to the Arranger) to Gulf for the purposes of facilitating the continued development of the Skardon River Project. Product derived from the Bauxite Hills Project tenements may also attract the obligation to pay a royalty under the Royalty Agreement where the production of ore from the Skardon River mining area is below the amounts identified in the production schedule for the relevant quarter. The production schedule is capped for the purpose of the royalty payment at 48.4 million tonnes unless, through further exploration, additional reserves are identified in which case the royalty will be payable with respect to the full production schedule amount (60.9 million tonnes).

Gulf is required to pay the royalty to RSI within 30 days after the end of each quarter once production commences. The applicable royalty is not capped and represents 2.3% of the Australian dollar equivalent of the free-on-board price for all product derived from the Skardon River tenements.

Under the Royalty Agreement, Gulf was also contractually obliged to grant securities in favour of RSI over all the assets (including the tenements) comprising the Skardon River Project. A security agreement was entered into between the parties on 9 February 2016.

In addition, RSI was granted a right of first refusal in relation to:

- the provision of any future royalty or royalty stream arrangements on commercial terms for the Skardon River Project; or
- any additional tenements or projects from which Gulf extracts bauxite and sells through the project port of Skardon River facility on commercial terms.

Off-take Agreement

Metro Bauxite Hills Sales Pty Ltd (Metro Sales), as agent for Aldoga Minerals Pty Ltd (Aldoga), and Cape Alumina Pty Ltd (**Cape Alumina**) entered into an off-take agreement with Shandong Xinfa Import and Export Co. Ltd (**Shandong**) pursuant to which Shandong has agreed to purchase a fixed annual contract tonnage of bauxite over four years, being one million tonnes in the first year, followed by two million tonnes in each of the following three years, for a total of seven million tonnes (**Off-take Agreement**). Metro Sales can vary the contract tonnage up or down by 10% in a contract year. Take or pay provisions are applicable to both parties through liquidated damages clauses if the party fails to deliver or take (as the context requires) at least 90% of the contract tonnage for the contract year and the shortfall is not made good within a period of three months. The Off-take Agreement is subject to:

- the grant of the mining leases and environmental approvals;
- a final investment decision being made for the Bauxite Hills mine owned and operated by Aldoga and Cape Alumina by 31 December 2018; and
- Metro having 40,000 tonnes of bauxite capable of being shipped by 31 December 2018.

The Off-take Agreement includes minimum quality specifications, a force majeure clause and other customary terms and conditions for an agreement of this nature.

Risks

SPECIFIC RISKS

Funding
Metro is operating in a capital intensive sector and, as it moves toward the development of the Bauxite Hills Mine, will require additional funding, from equity and debt capital markets, to fund its anticipated capital expenditure program and for general operating costs. There can be no guarantee that Metro will be able to source funding on commercially acceptable terms and any additional equity funding will dilute the interests of Metro Shareholders.
If additional funding is unable to be obtained, Metro may be required to reduce the scope of the proposed mining operations or even realise its investment in its projects.

Commodity price
Metro's future revenue will likely be derived largely from bulk commodities (in particular, bauxite). Consequently, potential future earnings are likely to be closely tied to the price of these commodities. The bauxite price, like any commodity, is subject to price fluctuations which may have a material adverse impact upon both the value of Metro's assets and Shares. These price fluctuations may be affected by a variety of factors outside the control of Metro, such as demand for minerals, forward selling by producers, production cost levels in producing regions, inflation, interest rates, and currency exchange rates.
The viability of the Bauxite Hills Mine will be affected, to a large extent, by the prevailing bauxite price. If the price of bauxite was to fall below production costs for a sustained period, Metro may not be raise required capital to fund mine development or, in the context of that occurring while the Bauxite Hills Mine is in operation, may sustain operating losses.

Operational risks
Metro's operations may be disrupted by a variety of risks and hazards which are beyond its control, including geological conditions, environmental hazards, technical and equipment failures, flooding and extended interruptions due to inclement or hazardous weather or other physical conditions, unavailability of drilling equipment, unexpected shortages of consumables or parts and equipment, fire, explosions and other incidents beyond control of Metro Mining.

Construction risks
The construction of the Bauxite Hill Mine will involve detailed planning to coordinate various stakeholders, including government agencies, contractors, professional advisors and finance providers. Delays and unexpected costs could significantly affect Metro's prospects, including its financial performance and position. Delay me be caused by adverse weather conditions and regulatory approvals taking longer than expected. While Metro has sought to mitigate that risk by undertaking detailed studies such as the bankable feasibly study due to be released in March 2017, such studies have limitations and actual costs and timing may differ from the outcomes predicted in the studies.

Foreign exchange
Revenue, profit, expenses, debt servicing requirements, assets and liabilities of Metro may be adversely exposed to fluctuations in exchange rates.

Dependence upon key personnel
Metro has a core team of executives and senior personnel, whose loss (and Metro's failure to secure and retain additional key personnel) could influence Metro's progress in pursuing its mine development plans within the time frames and cost structures envisaged. The impact of such loss would be dependent upon the replacement employee's quality and time of appointment, as well as the terms of their remuneration, relative to the employee they are replacing.
There is no guarantee that the key personnel of Metro will be successful in their objectives despite their considerable experience and previous success.

Mineral resources and ore reserves
Mineral Resources and Ore Reserves are estimates of mineralisation that have reasonable prospects for eventual economical extraction in the future, as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**). JORC Code compliant statements relating to Metro's Ore Reserves and Mineral Resources are estimates only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans or changes to the quality or quantity of Metro's Ore Reserves and Mineral Resources which may, in turn, adversely affect Metro's operations, including its ability to satisfy minimum quality specifications in off-take agreements.

Native title
Existing tenements held and new tenements acquired by Metro may be affected by native title claims and procedures. There is potential for a determination to be made that native title exists in relation to the land subject to a tenement held by Metro, which could adversely affect the operation of Metro's business and development activities.
In addition, a challenge may be made to a native title agreement which Metro has already entered into, which may cause Metro to incur unforseen costs and delays in the development of the projects.
In this event, compliance with either such determination may have a material adverse effect on the position of Metro in relation to cash flows, financial performance, business development, dividend payment and share price.

Authorisation
Interests in exploration and mining tenements are evidenced by the granting of leases or licences, which are for specific terms and carry annual expenditure and reporting conditions. There is a risk that any permit held by Metro may not be renewed in the future, that any application for a grant may be refused, or that Metro may be unable to comply with regulatory requirements to retain title to its permits or applications. If Metro is unable to renew a licence or permit Metro may suffer damage and be denied the opportunity to explore and develop mineral resources. Failure to observe Metro's obligations relating to minimum expenditure or environment or safety could prejudice Metro's right to maintain a permit for a given tenement.

33

Risks

Environmental regulations

All phases of Metro's operations are subject to environmental laws, regulations and approvals. Delays in the receipt of requisite approvals, or failure to receive requisite approvals, may delay the project or adversely impact the ability to develop the graphite project. Failure to comply with environmental laws and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of remedial requirements, and the imposition of injunctions to force future compliance. Statutes and regulations require permits for drilling operations, drilling bonds and reports concerning operations. In addition, there are statutes, rules and regulations governing conservation matters.
While Metro attempts to minimise these risks by conducting its operations in an environmentally responsible manner and in accordance with applicable laws and regulations, there is a risk that the environmental laws and regulations may become more onerous, making Metro's operations more expensive.

Regulatory

Metro's activities in the bulk commodities industry are subject to legislation, regulation and various approvals. The introduction of new legislation or regulations, or alteration of current legislation and regulations, could have a material adverse effect on the financial performance of and current or proposed activities of Metro. In addition to egulations that effect Metro directly, changes to regulations or policies in jurisdictions where Metro has, or will have, customers, such as China, might also effect Metro's financial position or performance, particularly if such changes had the effect of reducing demand for bauxite.
In addition, Metro will require various licences and approvals to progress the Bauxite Hills Mine Project, including the grant of an environmental approval in respect of the Bauxite Hills Mine Project. There is a risk that these may not be obtained, are delayed, or are subject to unsatisfactory conditions, which may have a material adverse impact on Metro.

Contractual

Development of Metro's resources and subsequent sale of material will depend on a number of material contractual arrangements. While Metro will have contractual rights in the event of the contracting party's non-compliance, there is no guarantee that Metro will be successful in securing compliance or full performance. Failure by any other party to comply with an obligation under a contract with Metro may have a material adverse effect on Metro.

Exploration

The tenement interests of Metro are at various stages of exploration. Potential investors should understand that mineral exploration, mining and development are high risk undertakings and there can be no assurance that the tenements currently held or acquired in the future will result in the discovery of an economic ore deposit. If a viable deposit is identified there is also no guarantee it can be commercially developed. There is no certainty that the proposed exploration will reveal mineable mineralisation or that such mineralisation will be commercially viable.

GENERAL RISKS

Market risks

The price at which Metro Shares trade on the ASX may be determined by a range of factors including movements in local and international equity and bond markets, general investor sentiment in those markets, inflation, interest rates, general economic conditions and outlook and changes in the supply of, and demand for, exploration and mining industry securities.
The market for Metro Shares may also be affected by a wide variety of events and factors, including variations in Metro's operating results, recommendations by securities analysts, and the operating and trading price performance of other listed exploration and mining industry entities that investors consider to be comparable to Metro. Some of these factors could affect Metro's share price regardless of Metro's underlying operating performance.

Taxation risks

Changes to the rate of taxes imposed on Metro (including in overseas jurisdictions in which Metro operates now or in the future) or tax legislation generally may affect Metro and its Shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to Metro's interpretation may lead to an increase in Metro's tax liabilities and a reduction in Shareholder returns. Personal tax liabilities are the responsibility of each individual investor. Metro is not responsible either for tax or tax penalties incurred by investors.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**) and are outside Metro's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in Metro's financial statements.

Foreign selling restrictions

This document does not constitute an offer of new ordinary shares (**New Shares**) of Metro in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (**FMC Act**).

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Metro with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Cyprus

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC (**Prospectus Directive**), as amended and implemented in Cyprus, from the requirement to publish a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in Cyprus except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Cyprus:

a) to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
b) to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
c) to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
d) to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

If you (or any person for whom you are acquiring the New Shares) are in Cyprus, you (and any such person) are a 'qualified investor' within the meaning of the Prospectus Directive (Directive 2003/71/EC) as amended and implemented in Cyprus.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

If you (or any person for whom you are acquiring the New Shares) are in Hong Kong, you (and any such person) are a 'professional investor' as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong.

China

The information in this document does not constitute a public offer of the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to 'qualified domestic institutional investors', sovereign wealth funds and quasi-government investment funds.

If you are in the People's Republic of China, you are a (i) 'qualified domestic institutional investor' as approved by the relevant PRC regulatory authorities to invest in overseas capital markets or (ii) sovereign wealth fund or quasi-government investment fund that has the authorisation to make overseas investment.

Foreign selling restrictions

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to 'qualified investors' (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Kenya

The offer of New Shares will not be marketed as a public offer to the general public in Kenya and, consequently, has not been, and will not be, approved by the Capital Markets Authority in Kenya. The New Shares will not be listed on the Nairobi Securities Exchange or any other securities exchange in Kenya.

The offer of New Shares does not constitute an offer of securities to the public (a 'public offer') within the meaning of section 30A(2) of the Capital Markets Act (Chapter 485A of the Laws of Kenya) (**Kenyan Capital Markets Act**). The New Shares will be carried out as, and will constitute, a "private offer" within the meaning of section 30A(3) of the Kenyan Capital Markets Act, regulation 20(1)(b) and regulation 21 of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 as amended (**Kenyan Public Offer Regulations**) to a limited number of selected investors. As such, the Company does not need to comply with the Kenyan Public Offer Regulations, the Capital Markets (Foreign Investors) Regulations and the Nairobi Securities Exchange rules and regulations in relation to the issue of the New Shares.

The contents of this document are strictly private and intended for the sole use of the recipient of this document only. This document will be distributed in Kenya to a limited number of investors and will not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The New Shares may not be offered or sold directly or indirectly to the public in Kenya. Accordingly, the New Shares are offered only by way of private placement only to existing shareholders of the Company and to whom such offer has been made.

36

3 How to apply

3.1 Shareholder's choices

The number of New Shares to which Eligible Shareholders are entitled under the Entitlement Offer (i.e. their Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may:

(a) take up their Entitlement in full and, if they do so, they may apply for Top-Up Shares under the Top-Up Facility (refer to section 3.2);

(b) take up part of their Entitlement, in which case the balance of their Entitlement lapses (refer to section 3.3); or

(c) allow their Entitlement to lapse (refer to section 3.4).

Ineligible Shareholders may not take up any of their Entitlements.

Metro reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Entitlement Offer is **5.00pm (Sydney time) on 17 March 2017** (however, that date may be varied by Metro, in accordance with the Listing Rules and the Underwriting Agreement).

3.2 Taking up all of your Entitlement and participating in the Top-Up Facility

If you wish to take up your Entitlement in full, follow the instructions set out in the Entitlement and Acceptance Form.

If you have applied to take up all of your Entitlement, you may also apply for additional New Shares under the Top-Up Facility.

Please return your completed Entitlement and Acceptance Form together with your Application Monies in accordance with section 3.6 for the amount shown on the Entitlement and Acceptance Form to the Share Registry so that it is received no later than **5.00pm (Sydney time) on 17 March 2017** at the address set out below:

By post:	**By delivery:**
Metro Mining Limited	Metro Mining Limited
c/- Link Market Services Limited	c/- Link Market Services Limited
GPO Box 3560	1A Homebush Bay Drive
Sydney NSW 2001	Rhodes NSW 2138
	(Please do not use this address for mailing purposes)

Alternatively, you may take up all of your Entitlement by payment of the Application Money through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than **5.00pm (Sydney time) on 17 March 2017**.

If you pay through BPAY and do not return the Entitlement and Acceptance Form, amounts received by Metro in excess of the Issue Price multiplied by your Entitlement (**Excess Amount**) may be treated as an application to apply for as many additional New Shares under the Top-Up Facility as your Excess Amount will pay for in full.

If you apply for Top-Up Shares under the Top-Up Facility and your application is successful (in whole or in part) your Top-Up Shares will be issued at the same time that other New Shares are issued under the Entitlement Offer. There is no guarantee you will receive any Top Up Shares under the Top-Up Facility.

Refund amounts, if any, will be paid in Australian dollars. You will be paid either by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders), or by direct credit to the nominated bank account as noted on the share register as at the closing date of the offer. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to https://investorcentre.linkmarketservices.com.au and following the instructions.

3.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up and follow the other steps required under section 3.2.

Alternatively, you may arrange for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form. If you pay through BPAY and Metro receives an amount that is less than the Issue Price multiplied by your Entitlement (**Reduced Amount**), your payment may be treated as an application for as many New Shares as your Reduced Amount will pay for in full.

3.4 Allow your Entitlement to lapse

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

3.5 Consequences of not accepting your Entitlement

If you do not accept all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Entitlement Offer (or New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by the Underwriter or sub-underwriters or under the Top-Up Facility.

3.6 Payment

The consideration for the New Shares (including under the Top-Up Facility) is payable in full on application by a payment of $0.125 per New Share. The Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies or in a manner otherwise agreed with Metro. Cheques must be drawn in Australian currency on an Australian bank and made payable to '**Metro Mining Limited – Entitlement Offer**' and crossed 'Not Negotiable'.

Alternatively, you may arrange for payment of the Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

3.7 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement and Acceptance Form, or a payment made through BPAY, constitutes a binding offer to acquire New Shares on the terms of this Information Booklet and, once lodged or paid, cannot be withdrawn.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

(a) you are an Eligible Shareholder and are not in the United States (other than Greenstone) and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer;

(b) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended, or under the laws of any other jurisdiction outside Australia or New Zealand; and

(c) you have not and will not send any materials relating to the Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

3.8 Brokerage and Stamp Duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Entitlement Offer.

3.9 Notice to Nominees and Custodians

Nominees and custodians may not distribute any part of this Information Booklet or any Entitlement and Acceptance Form to any person who would not, if they were recorded as the registered holder on Metro's share register, be an Eligible Shareholder.

3.10 ASX confirmation

ASX has provided a waiver of Listing Rule 7.1 to permit Metro to take into account New Shares to be issued under the Entitlement Offer in determining the permitted size of the Institutional Placement.

4 Definitions

These definitions are provided to assist the understanding some of the expressions used in this Information Booklet.

Term	Definition
$	means Australian dollars.
Applicant	means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or has arranged for payment through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.
Application	means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY in accordance with the instructions on the Entitlement and Acceptance Form.
Application Monies	means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Baffle Box	means Baffle Box Mining Pty Ltd ACN 614 547 492 as trustee for the Baffle Box Mining Trust.
Baffle Box Loan Facility	means the loan agreement dated 19 September 2016 between Baffle Box, an entity associated with Balanced Property, and Metro, pursuant to which Baffle Box lent Metro $8.5 million to fund the acquisition of Gulf shares.
Balanced Property	means Balanced Property Pty Ltd ACN 601 591 217 as trustee for the Balanced Property Trust.
Board	means board of directors of Metro or, where the context required, any sub-committee of the board of directors.
Business Day	means a business day as defined in the Listing Rules.
Closing Date	means 17 March 2017, the day the Entitlement Offer closes, or any other date that the Directors determine, subject to the Listing Rules.
Corporations Act	means *Corporations Act 2001* (Cth).
Directors	means the directors of Metro.
Eligible Shareholder	has the meaning set out in section 1.7.
Entitlement	means the right to subscribe for New Shares under the Entitlement Offer.
Entitlement and Acceptance Form	means the Entitlement and Acceptance Form accompanying this Information Booklet.
Entitlement Offer	means the non-renounceable entitlement offer to Eligible

Term	Definition
	Shareholders to subscribe for one New Shares for every two Shares of which the Shareholder is the registered holder on the Record Date, at the Issue Price pursuant to this Information Booklet.
Equity Raising	means the Entitlement Offer and the Institutional Placement.
Existing Shares	means the Shares already on issue in Metro as at the Record Date.
Greenstone	means Greenstone Management (Delaware) II LLC in its capacity as general partner of Greenstone Metro Holdings LP.
Greenstone Loan Facility	means the bridging loan agreement between Greenstone and Metro, pursuant to which Greenstone has provided Metro with funding for the purpose of the acquisition of Gulf.
Gulf	means Gulf Alumina Limited ACN 108 086 371.
Ineligible Shareholder	means a Shareholder as at the Record Date who is not an Eligible Shareholder.
Information Booklet	means this document.
Institutional Placement	means the placement of Shares to institutional and sophisticated investors to raise approximately $15.9 million.
Investor Presentation	means the presentation to investors, in section 2 of this Information Booklet.
Issue Price	means $0.125 per New Share.
Lead Manager	means Argonaut Securities Pty Limited ACN 108 330 650.
Listing Rules	means the official listing rules of ASX.
Metro or **Company**	means Metro Mining Limited ACN 117 763 443 and where the context so requires, its subsidiaries (or any of them).
New Shares	means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top-Up Facility or to the Underwriter or sub-underwriters.
Record Date	means 7.00pm (Sydney time) on 3 March 2017.
Shareholders	mean holders of Shares.
Shares	means fully paid ordinary shares in the capital of Metro.
Share Registry	means Link Market Services Limited ACN 083 214 537 .
Shortfall Shares	means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer, together with those New Shares to which any Ineligible Shareholders would otherwise have been entitled (after the allocation of Top-Up Shares).
TERP	means the theoretical price at which the Shares should trade immediately after the ex-date of the Entitlement Offer assuming 100% take up of the Entitlement Offer.
Top-Up Facility	means the facility described in section 1.5 under which certain Eligible Shareholders may apply for New Shares in excess of their Entitlement.

Term	Definition
Top-Up Shares	means extra Shares a Eligible Shareholder may apply for in excess of their Entitlement under the Top-Up Facility.
Underwriter	means Argonaut Capital Limited ACN 099 761 547.
Underwriting Agreement	means the underwriting agreement dated 24 February 2017 between Metro, Argonaut Securities Pty Limited and the Underwriter.

5 Corporate information

Company
Metro Mining Limited ACN 117 763 443
Level 8, 300 Adelaide Street
BRISBANE QLD 4000
www.metromining.com.au

Directors
Stephen Everett (Chairman)
Simon Finnis (Managing Director)
Mark Sawyer (Non-Executive Director)
Philip Hennessy (Non-Executive Director)
Dongping Wang (Non-Executive Director)
Jijun Liu (Non-Executive Director)
George Lloyd (Non-Executive Director)
Lindsay Ward (Non-Executive Director)

Company Secretary
Scott Waddell

Share Registry
Link Market Services Limited
Level 15, 324 Queen St
BRISBANE QLD 4000
www.linkmarketservices.com.au

Offer Information Line
1300 560 339 (within Australia)
+61 2 8011 0354 (outside Australia)

Legal adviser
McCullough Robertson Lawyers
Central Plaza Two, Level 11, 66 Eagle Street
BRISBANE QLD 4000
www.mccullough.com.au

Underwriter to the Entitlement Offer
Argonaut Capital Limited
Level 30, Allendale Square, 77 St Georges Terrace
PERTH WA 6000
www.argonaut.com

ABN 45 117 763 443

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

Telephone: 1300 554 474
From outside Australia: +61 1300 554 474

ASX Code: MMI

Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Number of Eligible Shares held as at the Record Date, 7:00pm (Sydney time) on 3 March 2017:

Entitlement to New Shares (on a 1 New Share for 2 basis):

Amount payable on full acceptance at A$0.125 per Share:

Offer Closes 5.00pm (Sydney time):	**17 March 2017**

ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 1 New Share for every 2 Existing Shares that you hold on the Record Date, at an Offer Price of A$0.125 per New Share. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Information Booklet dated 28 February 2017. The Information Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Information Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Information Booklet.

If you do not have a paper copy of the Information Booklet, you can obtain a paper copy at no charge, by calling Metro Mining Limited's offer Information line on 1300 560 339 (within Australia) and +61 2 8011 0354 (outside Australia) on weekdays between 9.00am and 5.00pm (Sydney time).

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5.00pm (Sydney time) on 17 March 2017. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

OPTION 2: PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER

If paying by cheque, bank draft or money order, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5.00pm (Sydney time) on 17 March 2017.

BPAY

Biller Code: 241539
Ref:

Telephone & Internet Banking – BPAY®
Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment

ABN 45 117 763 443

SRN/HIN:

Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above) + **B** Number of additional New Shares = **C** Total number of New Shares accepted (add Boxes A and B)

D **PLEASE INSERT CHEQUE, BANK DRAFT OR MONEY ORDER DETAILS –** Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to **"Metro Mining Limited - Entitlement Offer"** and crossed "Not Negotiable".

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A$

E **CONTACT DETAILS –** Telephone Number ( ) | Telephone Number – After Hours ( ) | Contact Name

METRO MINING LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia and New Zealand except to institutional and professional investors in China, Hong Kong, Cyprus, Kenya and the United Kingdom or who Metro Mining Limited has otherwise determined are eligible to participate. In particular the Entitlement Offer is not being made to any person in the United States or any person acting for the account or benefit of a person in the United States (excluding Greenstone Management (Delaware) II LLC). The Information Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY® you represent and warrant that:

- you have read and understood the Information Booklet and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Metro Mining Limited;
- this Entitlement and Acceptance Form was distributed with the Information Booklet for the Entitlement Offer and you agree to be bound by the terms of the Entitlement Offer as set out in the Information Booklet;
- you are not in the United States and are not acting for the account or benefit of a person in the United States (excluding Greenstone Management (Delaware) II LLC);
- you are an Eligible Shareholder;
- the New Shares have not been, and will not be, registered under US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States and accordingly, the entitlements may not be taken up, and the New Shares may not be offered, sold or otherwise transferred, in the United States to, or for the account or benefit of, any person in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- you agree not to send this Entitlement and Acceptance Form, the Information Booklet or any other material relating to the Entitlement Offer to any person in the United States or any jurisdiction other than Australia or New Zealand (except pursuant to, and to the extent permitted under, the section captioned "Foreign selling restrictions" in the investor presentation included with the Information Booklet);
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand (or other jurisdictions approved by Metro Mining Limited pursuant to, and to the extent permitted under, the section captioned "Foreign selling restrictions" in the investor presentation included with the Information Booklet) and is not in the United States and is not acting on behalf of a person in the United States, and you have not sent this Entitlement and Acceptance Form, the Information Booklet or any information relating to the Entitlement Offer to any such person; and
- if in the future you decide to sell or otherwise transfer the New Shares, you will only do so by regular transactions on ASX or otherwise where neither you nor any other person acting on your behalf know, or have reason to know, that the sale has be pre-arranged with, or that the purchaser is, a person in the United States or is acting on behalf of a person in the United States.

HOW TO APPLY FOR NEW SHARES

1. **IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)**

   If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

   Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A$0.125.

   Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. **IF PAYING BY CHEQUE, BANK DRAFT OR MONEY ORDER**

   Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of Metro Mining Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

D. Cheque, bank draft or money order details

Enter your cheque, bank draft or money order details in section D. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Metro Mining Limited - Entitlement Offer" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque or money order for the incorrect amount, Metro Mining Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque, bank draft or money order will pay for.

E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. **HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM**

   A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Information Booklet electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address
Metro Mining Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Hand Delivery
Metro Mining Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 ***(Please do not use this address for mailing purposes)***

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5.00pm (Sydney time) on 17 March 2017. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Metro Mining Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact Metro Mining Limited's offer Information line on 1300 560 339 (within Australia) and +61 2 8011 0354 (outside Australia) on weekdays between 9.00am and 5.00pm (Sydney time).