

Explore | Define | Mine

# Investor Presentation

June 2017

# Executive Summary

## Positive Fundamentals, Simple & Compelling Project, Proven Team, Near Term Production & Excellent Investment

- 1 Bauxite fundamentals & strong price outlook given rising China seaborne demand
- 2 Simple DSO project well located in Cape York with low operating and logistics costs
- 3 Compelling economics confirmed by 2017 BFS
- 4 Off-take Agreement (Xinfa) & non-binding Letter of Intent (Lubei) for ~60% 4 years production
- 5 Early works now underway
- 6 Strong financing capability with 2 supportive cornerstone shareholders, an increasing institutional investor base and strong interest from debt financiers
- 7 Excellent investment opportunity with first production scheduled for April 2018

# Corporate Snapshot

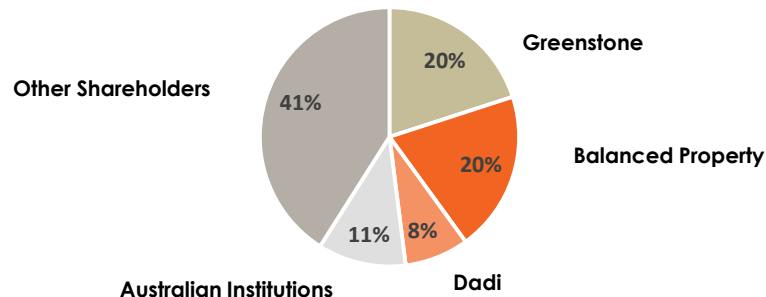
## Capital Structure

Share Price (15 -June-17)	\$0.13
Shares on Issue	1,004.0m
<b>Market Cap</b>	<b>\$130M</b>
Options Unlisted	11.7m
Cash (18-April-17)	\$21.5M
Unsecured Debt (18-April-17)	\$15.0M
<b>Enterprise Value</b>	<b>\$124M</b>

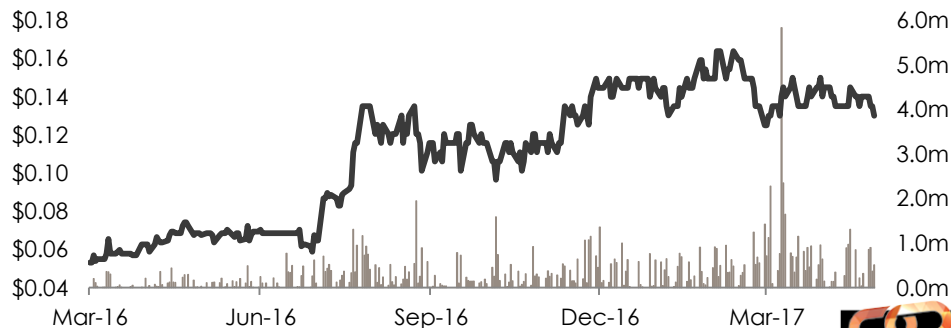
## Board of Directors

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

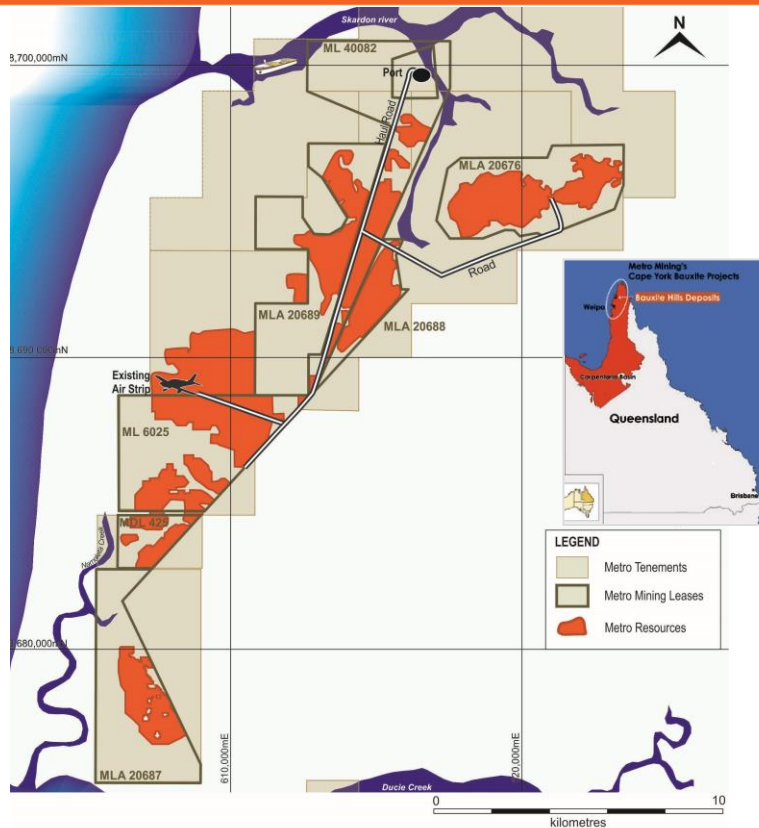
## Share Register



## Share Price & Volume - LTM



# Bauxite Hills Mine Snapshot



## Key Statistics

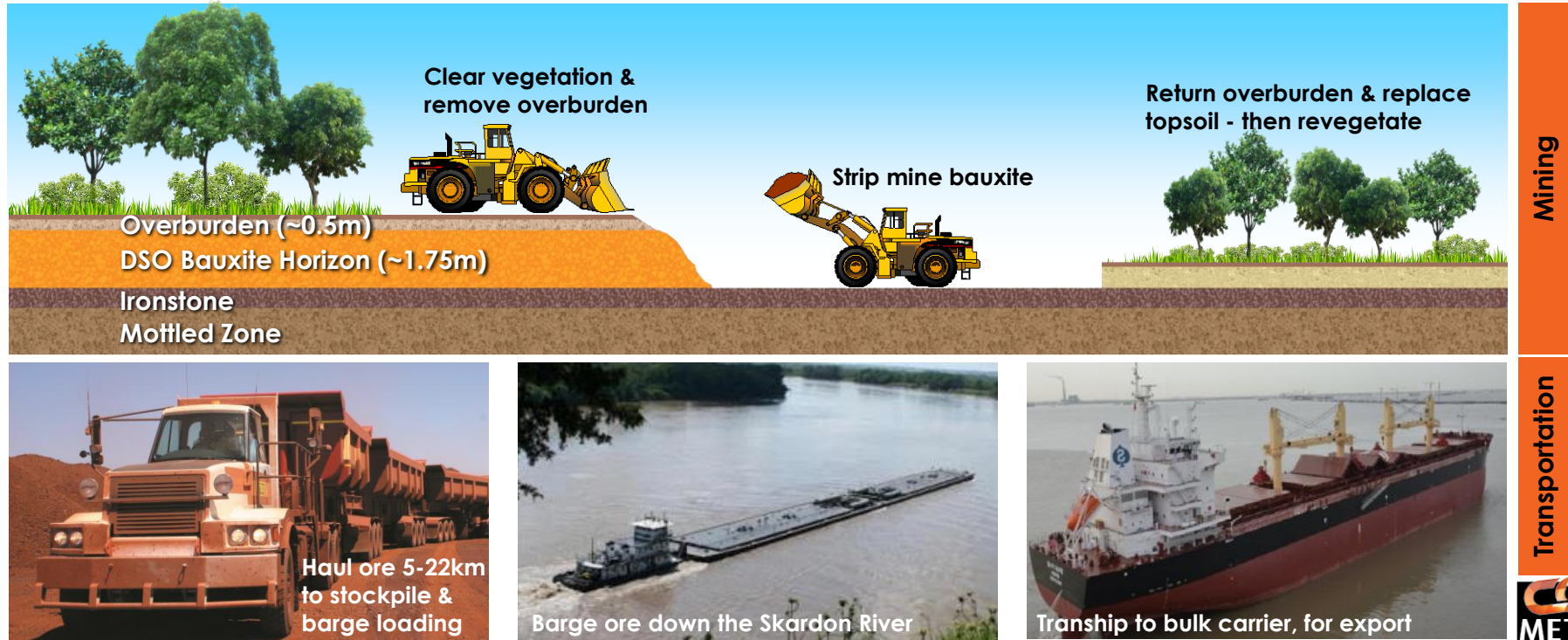
Project Overview	Ownership:	Metro (100%)
	Location:	Cape York, Qld
	Commodity	Bauxite
	Product Type	DSO
	Mine Type	Surface mining
	Contained mineral:	92.2Mt* 144.8Mt*
		<ul style="list-style-type: none"> <li>• Reserves</li> <li>• Resources</li> </ul>
	Status	BFS completed

\* Refer to slide 25 \*\*Metro confirms all material assumptions underpinning production target & corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2

Operational Overview	Construction	H2 2017
	First Production	April 2018
	Start-up Production	~2Mtpa**
	Steady State Production	~6Mtpa (year 4)**
	Pre Production Capex	~\$35.8m
	Expansion Capex	~\$36.7m
	Costs (LOM Avg)	<ul style="list-style-type: none"> <li>• Onsite: \$16.4/t</li> <li>• Incl Royalty: \$23.0/t</li> </ul>
	Mine Life	17 years
	Operations	Contract mining & transhipment
	Workforce	~185 personnel

# Simple DSO Project

- Operational simplicity and specialist mining and transhipment contractors enables easy to manage operations
- Proven, well known operator TSA to be transhipment contractor and will supply all vessels



# World Class Bauxite Jurisdiction

- Located in the world class Weipa bauxite region of western Cape York, Qld
- 90km north of Rio's Weipa mine and approx 130km from Rio's Amrun development
- Weipa bauxite brand well established and highly regarded in China





# Low Logistics Costs

Metro's low cost logistics are a sustainable cost advantage to China relative to competing bauxite producers



Average bauxite specifications & freight rates to China

Source: BRAEMAR ACM SHIPBROKING

Haul ore 5 – 22km to stockpile and barge loading



Tranship ore down Skardon River



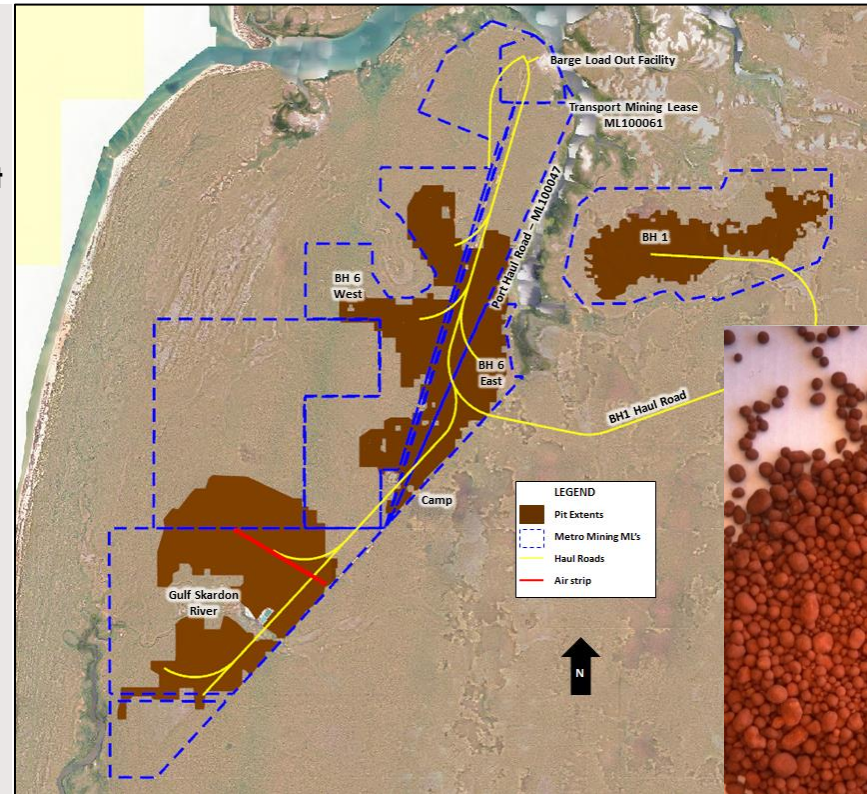
Load bauxite on bulk carrier for transport to China



# Existing Infrastructure Benefit



Existing infrastructure provides numerous development advantages





# BFS Summary

## Bankable Feasibility Study Highlights\*

- Completed by MEC Mining in March 2017
- Contract mining and transshipment
- 5 month construction period
- 6Mtpa steady state (initial 2Mtpa)\*\*
- 8 months per year dry season operation (April to November)

## Key Results and Assumptions

Description	Result	Assumption	Result
NPV (10% DR, Real, after tax)	A\$601M	Annual Production rate (Steady State)	6.0Mt**
IRR	81%	LOM Production	92.2Mt
Payback Period of Initial Capital	1.7 years	Mine Life	17 years
LOM Revenue	A\$5.6B	Bauxite Price (CIF) Range	US\$36.36-53.88/t
LOM EBITDA	A\$2.5B	Exchange Rate (AUD/USD)	0.75
LOM Average Annual EBITDA	A\$145M	Discount Rate	10%
LOM on-site Average OPEX	A\$16.42/t	Initial Capital Expenditure	A\$35.8M
LOM Average OPEX including Royalty	A\$23.00/t	LOM Average Operating Margin	A\$26.69/t

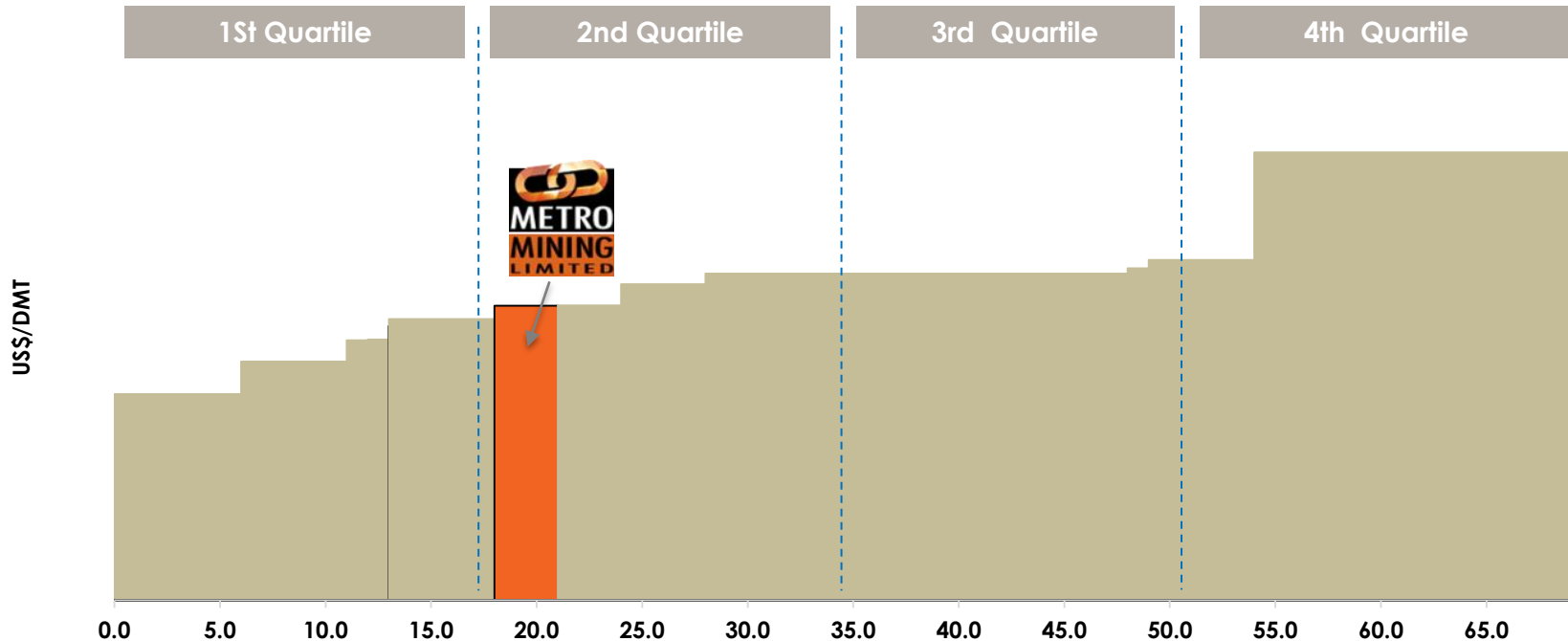
\*Refer ASX Announcement 15 March 2017 | \*\*Metro confirms all material assumptions underpinning production target & corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2



# Strong Cost Curve Positioning

- 2<sup>nd</sup> quartile cost curve positioning provides attractive long term competitive advantage

China Seaborne Bauxite Supply Full Cost Curve 2019 – Value-in-use Adjusted US\$/Dmt (CFR)



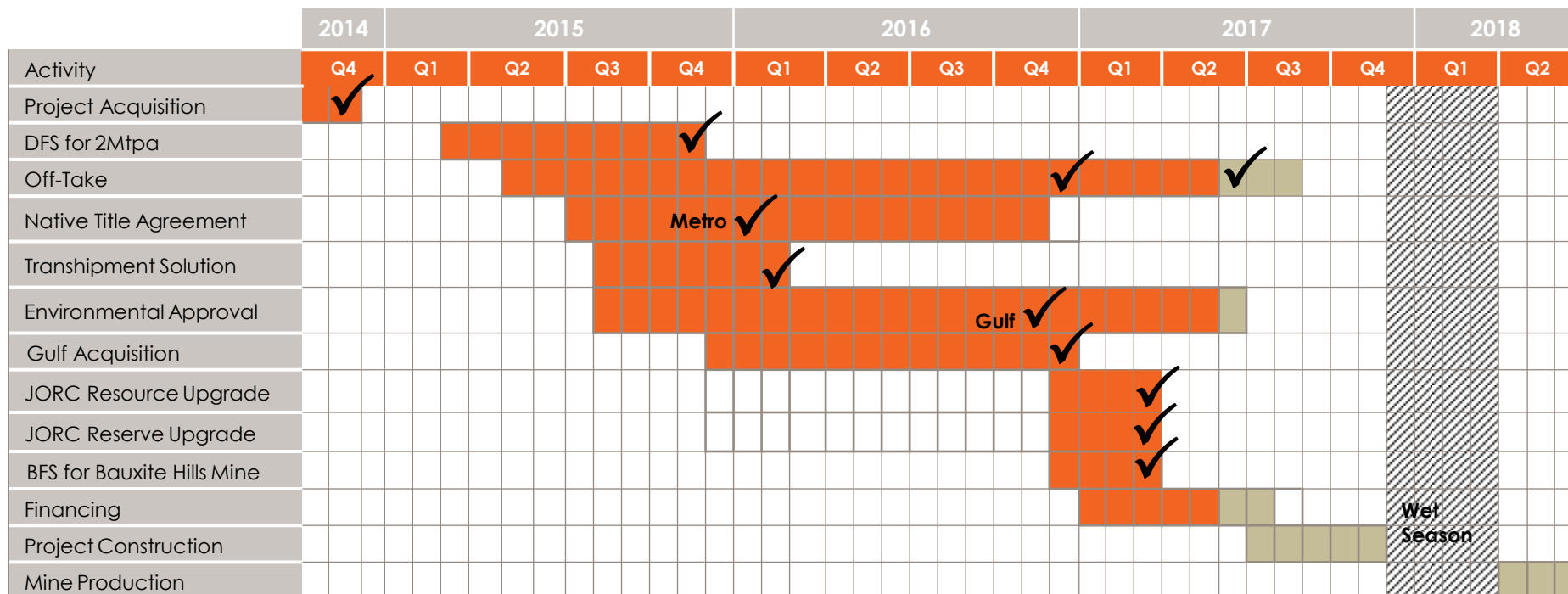
# Near Term Production Pathway

1. Well Established Pathway

2. No Red Flags

3. Early works now underway

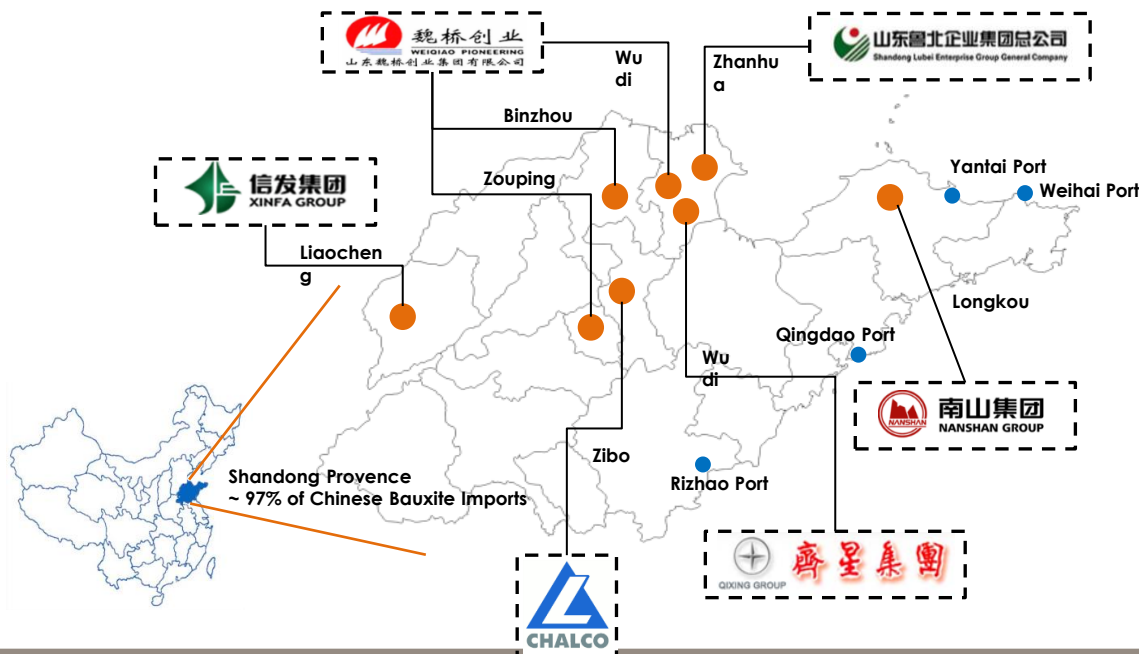
4. Production On Track For H1 2018



# Off-take Secured & Attractive\*

- Foundation off-take secured (Xinfa), China's 2nd largest private bauxite importer. Agreement covers ~50% of first 4 years production with market linked pricing.
- Lubei LOI (non-binding) for 0.5-1.0mt pa for a minimum three years

## Overview of Key China End Users & Port Locations – Shandong Province



### Summary of Xinfa Off-take

Term	4 years
Total Tonnage	7Mt
Tonnage	1Mt for yr 1   2Mt for yrs 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

### Summary of Lubei LOI

Term	3 years
Tonnage	0.5 – 1.0 Mt pa for min 3 yrs
Extension	Mutual Agreement
Binding	Non-binding currently. Binding agreement being negotiated
Payment Structure	Market Linked pricing



# Proven Management Team

- Metro's Board & management have collectively been involved in the development and operation of over 30 mines globally
- Significant bauxite knowledge and expertise, focused on Cape York bauxite operations and product marketing into China
- Strategy is to develop and operate mines

## 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 with +40 years experience
- Previous GM at Thiess
- 5 yr at Weipa managing mine planning & refinery performance



### Mike O'Brien | Project Director

- Mining engineer with +40 years experience
- +25 years Snr management experience with Anglo American & Shell



### Colleen Fish | Environmental Manager

- Environmental scientist with +25 years experience
- Former Environmental Manager for Peabody, QLD
- Joined Metro in 2012



## Commercial

### Scott Waddell | CFO & Company Secretary

- CPA with extensive experience in global bauxite & alumina
- Past senior roles with Anglo and Rio Tinto Alcan (RTA)
- Senior roles with Metro since 2010



### Duane Woodbury | Finance & Bus Dev

- Banking & finance with +20 years experience
- Senior roles with Macquarie & CFO of ASX listed Kingsgate
- Significant equity and debt capital raising experience







### Norman Ting | GM, Marketing

- +30 years bauxite industry & marketing experience
- Former Chairman Traxys China & Snr Exec of WOGEN UK, HK & China
- Former Marketing Manager for Comalco (RTA) Bauxite



# Significant Progress Since BFS



## Project Early Works Now Underway

-  Contracts placed for fabrication of piles and associated steel works, and camp
-  Detailed engineering and design contracts awarded for conveyor and barge load out facility
-  Firm bids received for electrical and marine installation
-  Costs to date in-line with BFS estimates

## Permitting and Licensing Progressing In-line with Expectations

-  Permits and approvals in final stages
-  Native Title agreements now amalgamated. Simplifies and removes costs

## Corporate & Financing Process Well Advanced

-  Multiple debt term sheets received from a range of leading global debt financiers
-  Debt funding progressing in-line with project development timelines
-  Strong off-take interest from other customers/traders

# Native Title & Land Access

## Positive & Supportive Relationships with Local Community

### Native Title & Land Access Agreement reached jointly with:

- ▶ Ankamuthi People, the traditional owners; and
- ▶ Old Mapoon Aboriginal Corporation (OMAC), the trustee owner of the land

### Key Features of the Agreement include:

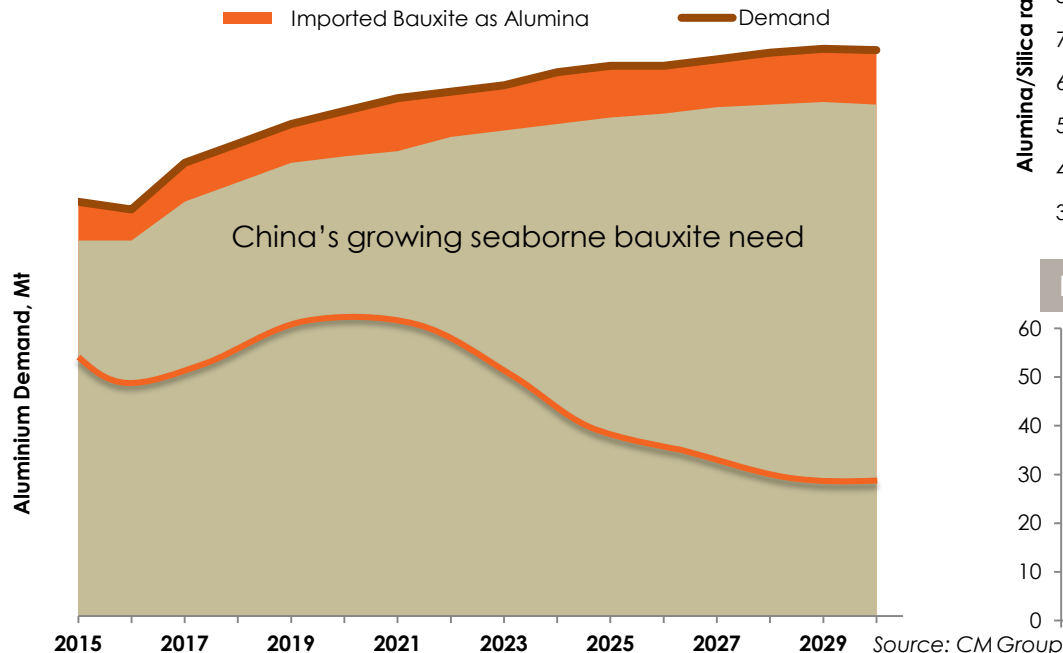
- ▶ Cultural Heritage Management Plan
- ▶ Detailed rehabilitation plan with ongoing monitoring
- ▶ Substantial mining benefits based on percentage of FOB price received per tonne of bauxite
- ▶ Training, employment and business opportunities
  - Recruitment for Technical training roles and Community Liaison Officers underway
  - Business & contracting opportunities through construction and operations



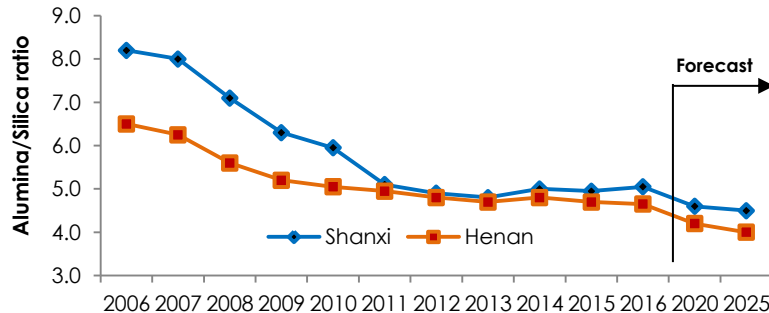
# Key Structural Change in China

- China's seaborne bauxite imports are forecast to grow from ~50mtpa in 2015 to ~150mtpa by 2030

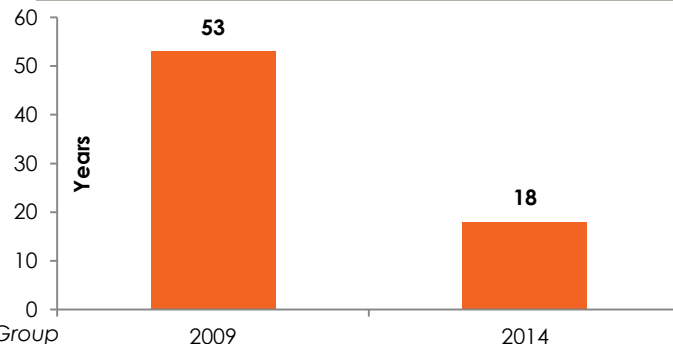
Chinese Aluminium Production & Growing Seaborne Bauxite Demand



Declining Chinese Bauxite Reserve Life Years



Declining Chinese Bauxite Quality





# Regional Exploration

- Metro's exploration exposure covers >2,500km<sup>2</sup> of regional tenement holdings (including Bauxite Hills)
- All tenements are well located on the lateritic plateaus that host bauxite mineralisation
- Close proximity to the coast
- Potential to duplicate Bauxite Hills – organic growth
- Exploration work planned for 2H 2017
  - Reconnaissance sampling
  - Drilling of priority targets
- Identify other opportunities on Cape York and in other prospective locations.



# Project Financial Metrics

After-Tax NPV<sub>10</sub>

**A\$601 Million**

After-Tax IRR

**81%**

Initial CAPEX

**A\$35.8 Million**

Average  
Annual EBITDA

**A\$145 Million**

Initial LOM

**17 Year**

LOM EBITDA

**A\$2.5 Billion**

LOM Average  
on-site costs

**A\$16.42/t**

**Metro Market Cap = A\$130 Million**



# Summary

## Metro is Well Positioned & Compelling

- 1 Strong bauxite fundamentals driven by structural change in China
- 2 Metro has significant advantages and is backed by leading investors
- 3 Compelling BFS metrics provides significant share price upside
- 4 Financing strategy well advanced & early works now underway
- 5 Construction planned to commence in H2 2017 with production on track for H1 2018
- 6 Regional tenements provide long term growth & enhances strategic appeal



# Board of Directors

<b>Stephen Everett</b> <b>Chairman</b>	<ul style="list-style-type: none"> <li>Chemical engineer with 40+ years experience in the resources and construction industries both in Australia and overseas</li> <li>Formerly Chair of BeMaX Resources, Australian Solomons Gold, JMS Civil &amp; Mining &amp; IronRidge Resources</li> </ul>
<b>Simon Finnis</b> <b>Managing Director</b>	<ul style="list-style-type: none"> <li>Mining executive with +30 years experience</li> <li>Former CEO of Grande Côte Minerals Sands operations in Senegal and responsible for \$650m greenfield project development</li> </ul>
<b>Philip Hennessy</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>Over 30 years experience in accounting and corporate experience</li> <li>Chairman KPMG Queensland for 13 years prior to retiring in 2013</li> </ul>
<b>George Lloyd</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>Over 30 years resource industry experience including senior executive and board roles</li> <li>Previously Chairman of Cape Alumina for 5 years and currently Chairman of Ausenco</li> </ul>
<b>Lindsay Ward</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>Over 25 years experience with senior executive/board roles in mining, exploration, mineral processing, ports, rail, power generation, gas transmission, logistics</li> <li>Former MD of Dart Mining and previously Mine Manager of the Yallourn Energy open cut coal mine in Victoria</li> </ul>
<b>Mark Sawyer</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>Senior Partner at Greenstone Capital LLP and co-founder of Greenstone Resources LP private equity fund. Co-founded Greenstone in 2013 after a 19 year career in the mining sector</li> <li>Former roles include co-head of group business development at Xstrata plc and senior roles at Rio Tinto plc and Cutfield Freeman &amp; Co Ltd</li> </ul>
<b>Jijun Liu</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>Engineer with over 30 years experience in energy and resources</li> <li>Managing Director of Xinfa which controls one of the largest alumina-aluminium enterprises in China</li> </ul>
<b>Dongping Wang</b> <b>Non-Executive Director</b>	<ul style="list-style-type: none"> <li>30+ yrs experience mining &amp; prominent figure in the Chinese coal industry &amp; recognised as coal processing expert</li> <li>Chairman of Dadi Engineering which is one of China's largest coal industry engineering groups</li> </ul>





# BFS Capital Cost Estimates\*

Capital Cost Item	Amount	Capital Cost Item	Amount
<b>Initial Capital</b>		<b>Expansion Capital (in years 2 &amp; 3)</b>	
Site establishment and haul roads	A\$3.1M	Integrated Truck dump and screens and upgraded haul roads	A\$13.9M
Key infrastructure including BLF and camp	A\$25.8M	Transshipment upgrades	A\$19.5M
Other supporting infrastructure	A\$1.6M	Contingency @ 10%	A\$3.3M
Logistics and other owner's costs	A\$2.1M		
Contingency @ 10%	A\$3.2M		
<b>Development Capital Total</b>	<b>A\$35.8M</b>	<b>Expansion Capital Total</b>	<b>A\$36.7M</b>

\*Refer ASX Announcement 15 March 2017



# BFS Operating Cost Estimates\*

Operating Cost Item	BFS LOM Average
Mining, haulage and operation of BLF	A\$7.07/t
Transshipment activities	A\$6.71/t
Site and administrative costs	A\$2.65/t
<b>Total Operating Costs (ex-royalties and ocean freight)</b>	<b>A\$16.42/t</b>
Royalties	A\$6.57/t
Ocean Freight	A\$11.71/t
<b>Total Operating Costs</b>	<b>A\$34.70/t</b>

\*Refer ASX Announcement 15 March 2017



# Reserves & Resources\*

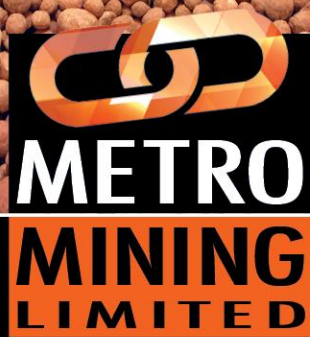
## Bauxite Hills – DSO Mineral Resource & Ore Reserve Estimates

Area	Category	DSO <sup>2</sup> Tonnes (Mt) <sup>1</sup>	DSO Bauxite Qualities (Dry Basis)	
			Total Al <sub>2</sub> O <sub>3</sub> (%)	Total SiO <sub>2</sub>
BH1 & BH6	Measured Resource	54.7	50.0	11.9
BH1, BH2 & BH6	Indicated Resource	66.4	49.2	14.5
BH1 & BH6	Inferred Resource	23.7	47.4	16.0
<b>TOTAL RESOURCE</b>		<b>144.8</b>	<b>49.2</b>	<b>13.9</b>
BH1 & BH6	Proved Reserve <sup>3</sup> (ROM @ 10% Moisture)	48.3	49.8	12.0
BH1 & BH6	Probable Reserve <sup>4</sup> (ROM @ 10% Moisture)	43.9	49.0	14.6
<b>TOTAL MARKETABLE ORE RESERVES</b>		<b>92.2</b>	<b>49.4</b>	<b>13.2</b>

1. For BH1 and BH6 the tonnages are calculated using the following default bulk densities determined from a program of sonic drilling; 1.6g/cm<sup>3</sup> for BH1, 1.92g/cm<sup>3</sup> for BH2 and 2g/cm<sup>3</sup> 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. Proved Reserve – the proved reserves is included in the BH1 & BH6 Measured resources
4. Probable Reserve – the probable reserve is included in the BH1 & BH6 Indicated resources

\*Refer ASX Announcement 15 March 2017 "Bauxite Hills Ore Reserve 92.2Mt"





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**For Further Information**

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