



ASX ANNOUNCEMENT

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3 July 2017

Waiver of Listing Rule 10.1 Granted for new Debt Financing Arrangements

Further to the ASX announcement on 22 June 2017, Metro Mining Limited (ASX:MMI) (Metro) is pleased to advise that it has received a waiver of listing rule 10.1 from ASX to the extent necessary for it to grant a second ranking security over its Bauxite Hills mine assets in favour of Ingatatus AG Pty Ltd (Ingatatus), a related party of Metro's strategic cornerstone shareholder Balanced Property. This is to secure Metro's obligations under the \$20 million new debt facility.

The terms of the waiver are attached to this announcement.

Metro expects to be in a position to repay the outstanding debt owed to Ingatatus under the new facility in accordance with its terms and discharge the security thereafter.

Waiver of Listing Rule 10.1 Terms

ASX has granted Metro the waiver from listing rule 10.1 on the following conditions:

1. the security and the facility will include a term that in the event of default, neither Ingatatus nor any of its associates can acquire any legal or beneficial interest in an asset of Metro or its subsidiaries in satisfaction of Metro's obligations under the facility or the security, or otherwise deal with Metro's assets, without Metro first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver (or analogous person) appointed by Ingatatus in exercising its power of sale under the facility or security and selling the assets to an unrelated third party at arm's length commercial terms and distributing the cash proceeds to Ingatatus in accordance with its legal entitlements;
2. a summary of the material terms of the facility and any security documents are made in each annual report of Metro during the term of the facility;
3. any variations to the terms of the facility or the security documents, which are not minor changes or inconsistent with the terms of the waiver, must be subject to shareholder approval;
4. Metro must seek to discharge the security when the funds advanced under the facility are repaid, or if it is not discharged, seek shareholder approval for the continuation of the security for any further loan amount; and
5. Metro will immediately release to the market an announcement which sets out the terms of the waiver, and Metro's plans with respect to the repayment of the funds advanced under the Facility and the discharge of the security, including the timeframe within which it expects the repayment and discharge to occur.



ASX: MMI | ACN 117 763 443

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

Head Office: Lv 2, 247 Adelaide St, Brisbane | GPO Box 10955, Brisbane Q 4000

Information: P: +61 (0) 7 3009 8000 | E: info@metromining.com.au | W: www.metromining.com.au

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