

Good for the Cape

Good for the State

Highlights

- 1** Bauxite Hills Mine in production 10 months after construction commenced – as planned
- 2** Production Ramping Up – Eight (8) Vessels and 510,000 tonnes shipped to date
- 3** Long life mine delivering into a strongly growing Chinese market
- 4** Independent Cape York bauxite producer
- 5** Sales underpinned by a binding 4 year offtake agreement (~50% production) with Xinfu
- 6** Trial shipments agreed with a range of Chinese customers



Corporate Snapshot

Capital Structure

Share Price (17 July 2018)	A\$0.19
Shares on Issue	1,383M
Market Cap	A\$262.9M
Options Unlisted	31M
Unrestricted Cash (31-Mar-2018)	A\$34.3M*
Debt Facilities	A\$39.6M
Enterprise Value	A\$268.2M

*Incl net proceeds from Capital Raising

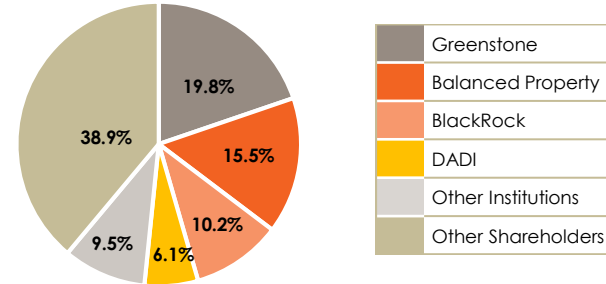
Board of Directors

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	Xiaoming (Aaron) Yuan

Share Price Performance Jan 2015-May 2018

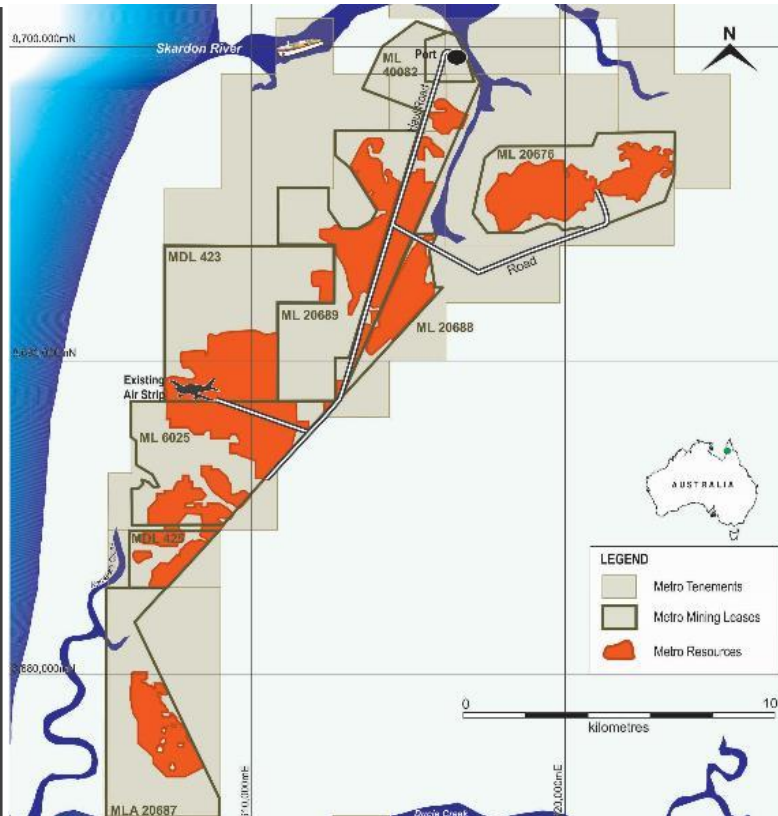


Share Register



Bauxite Hills Mine Snapshot

Location



Key Statistics ¹

Project Overview					
Ownership:	Metro (100%)				
Commodity	Bauxite				
Location:	Cape York, Qld				
Product Type	Direct Shipping Ore				
Contained Mineral:	<table border="1"> <tr> <td>Reserves</td> <td>92.2Mt¹</td> <td>Resources</td> <td>144.8Mt¹</td> </tr> </table>	Reserves	92.2Mt ¹	Resources	144.8Mt ¹
Reserves	92.2Mt ¹	Resources	144.8Mt ¹		
Mine Type	Surface mining				
Status	Operational				
Operational Overview					
First Production	April 2018				
Start-up Production	~2Mtpa				
Steady State Production ²	~6Mtpa (year 4)				
Mine Life	17 years				
Operations	Contract mining & transhipment				
Workforce	~185 personnel				

1. ASX Release 15 Mar 2017

2. subject to Board approval of expansion to stage 2

Production Guidance Update

Bauxite Production Guidance (WMT)

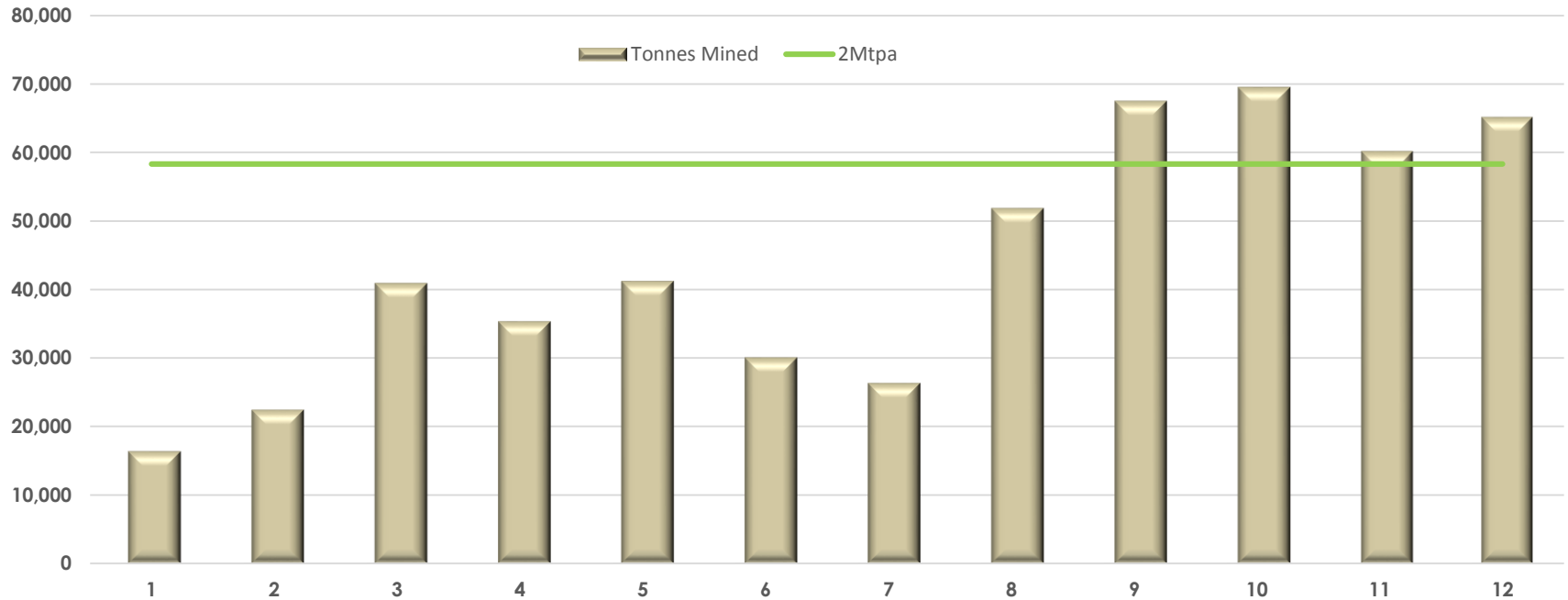
	Jun '18 Qtr Actual	Sept '18 Qtr Forecast	Dec '18 Qtr Forecast	2018 -CY Forecast	2019 -CY Forecast
Bauxite Mined ('000t)	445	825 - 875	710 - 760	1,965 - 2,075	3,000
Bauxite Shipped ('000t)	399	825 - 875	750 - 800	1,965 - 2,075	3,000

- Bauxite mined and shipped in June Quarter exceeded or at upper end of re-stated guidance
- By the end of June, production was approaching budgeted operating rates and achieving consistent results on a daily basis.
- Transshipment activities performing in line with expectations and the fleet has been supplemented with a larger 7,000t barge.
- Production Guidance for calendar year 2018 maintained

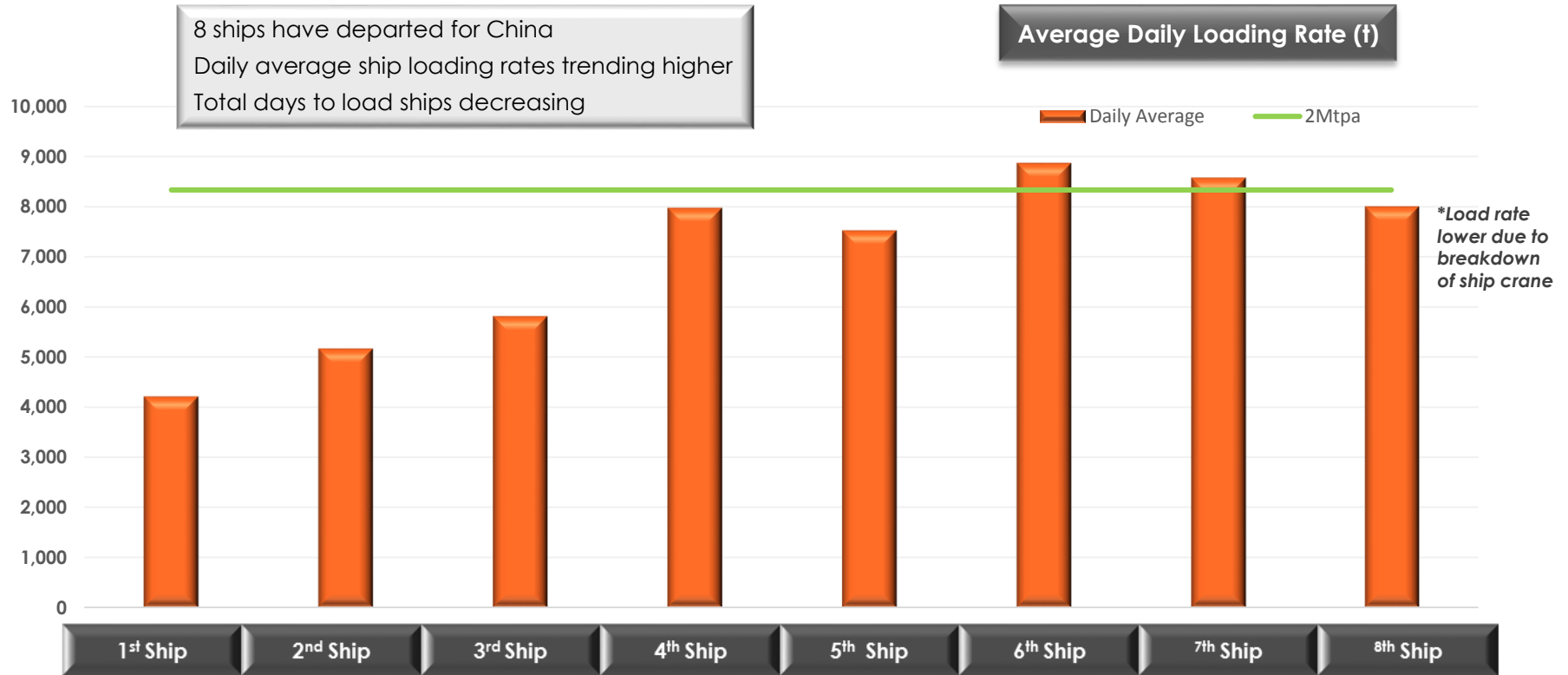


Mining Production Trending Up

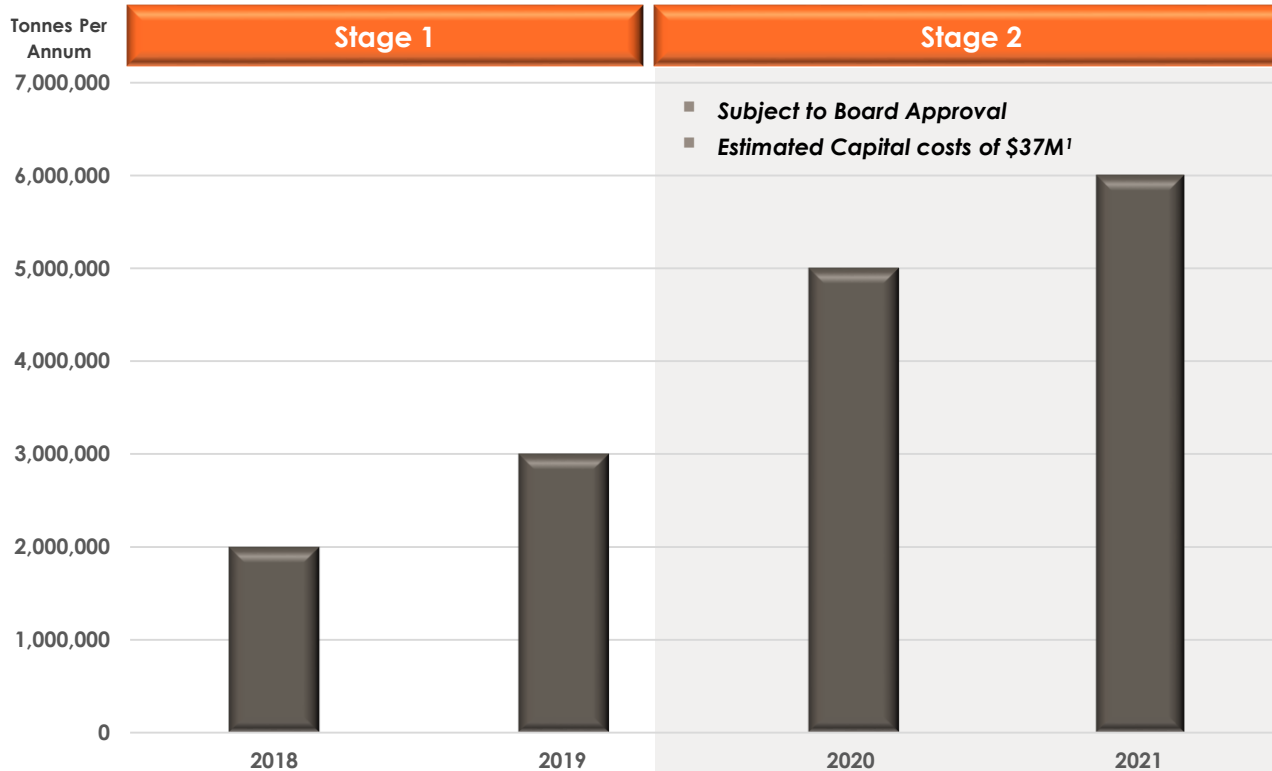
Weekly Mining Production (t)



Ship Loading Rates Trending Up



Increasing Production Profile

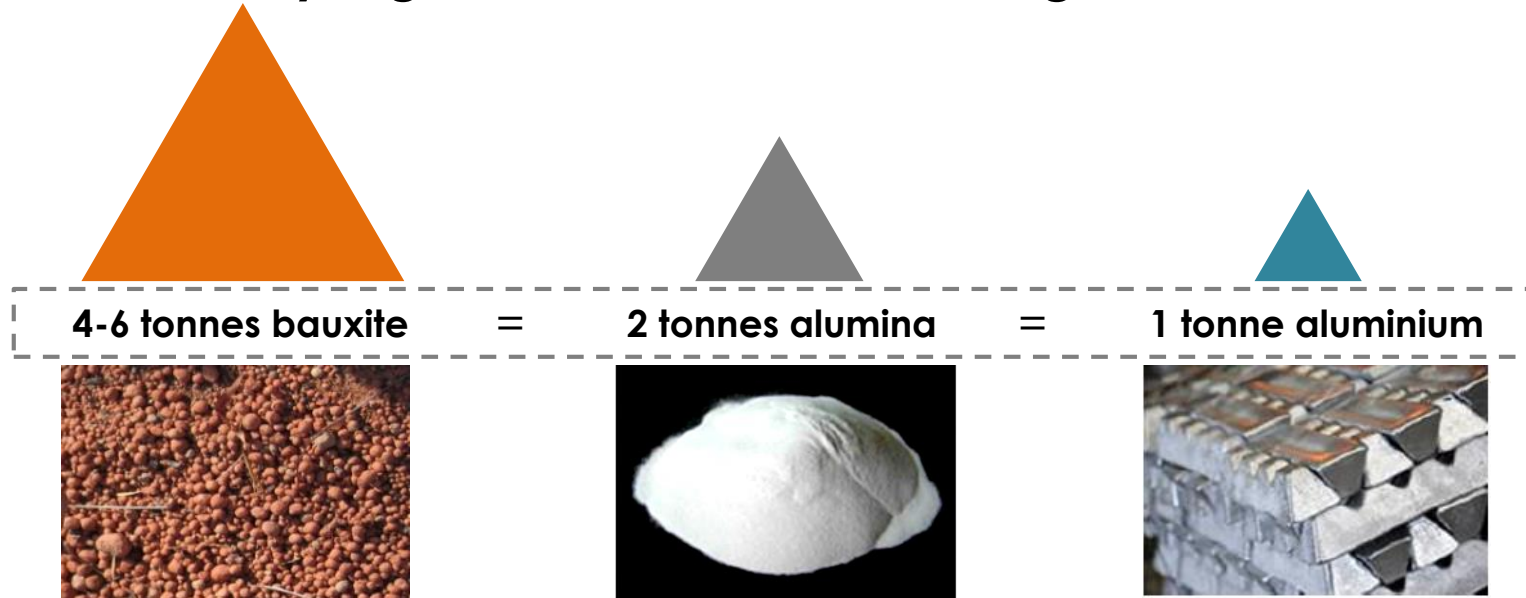


- Ramp up over 4 years reflects development of the customer base. Production in excess of existing off-take will include spot sales and/or new off-take.
- Expansionary capital expenditure estimated at approximately \$37M¹ (NB: to be confirmed through updating the BFS).
- Significant unit cost improvement at higher production rates
- Existing infrastructure has been built to facilitate higher production rates

1. ASX Release 15 Mar 2017

Bauxite is the Primary Ore of Aluminium

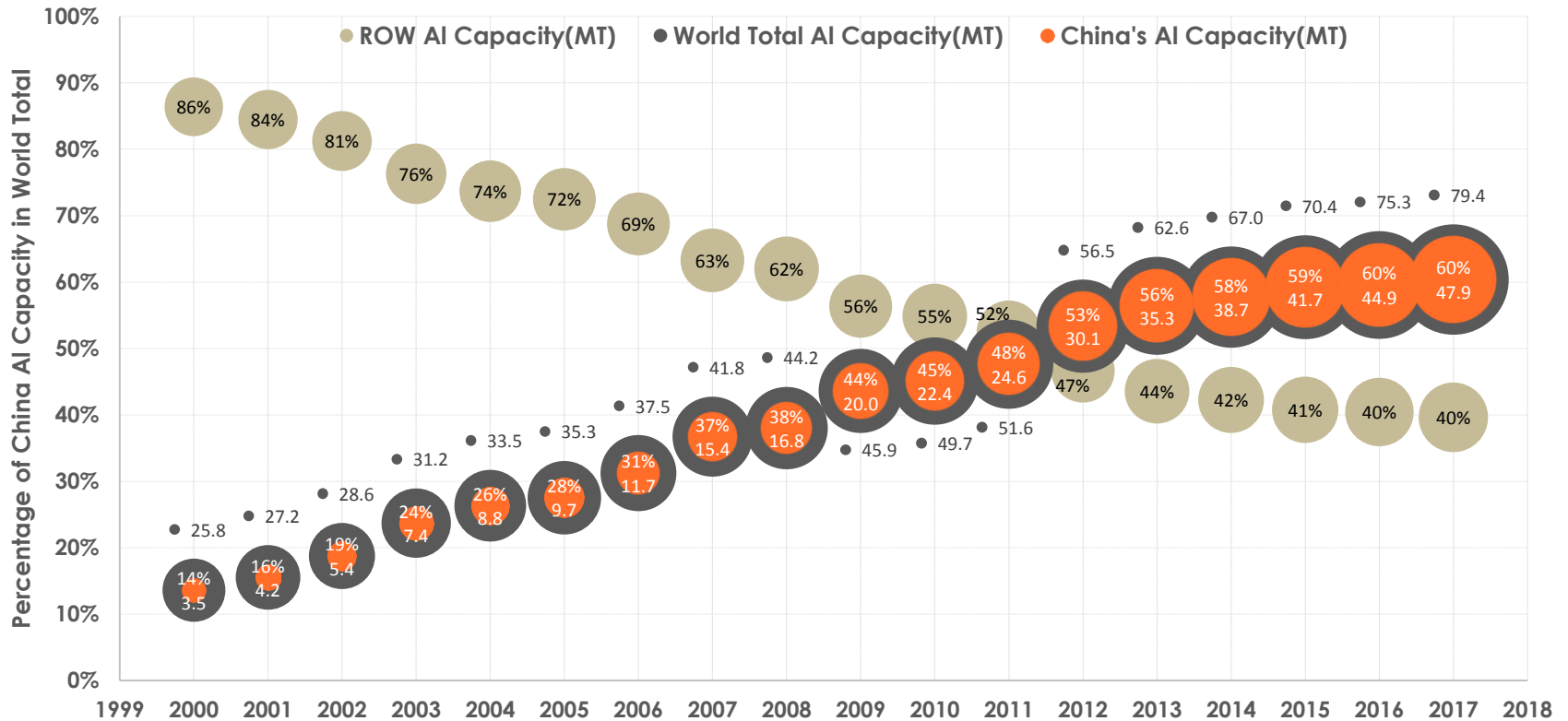
Key Ingredient for Manufacturing Aluminium



Key Bauxite Value Drivers

Grade	Alumina content ranges from 30% - 65% and silica ranges from 2% - 30%
Location	Proximity to buyer, supply reliability and sovereign risk

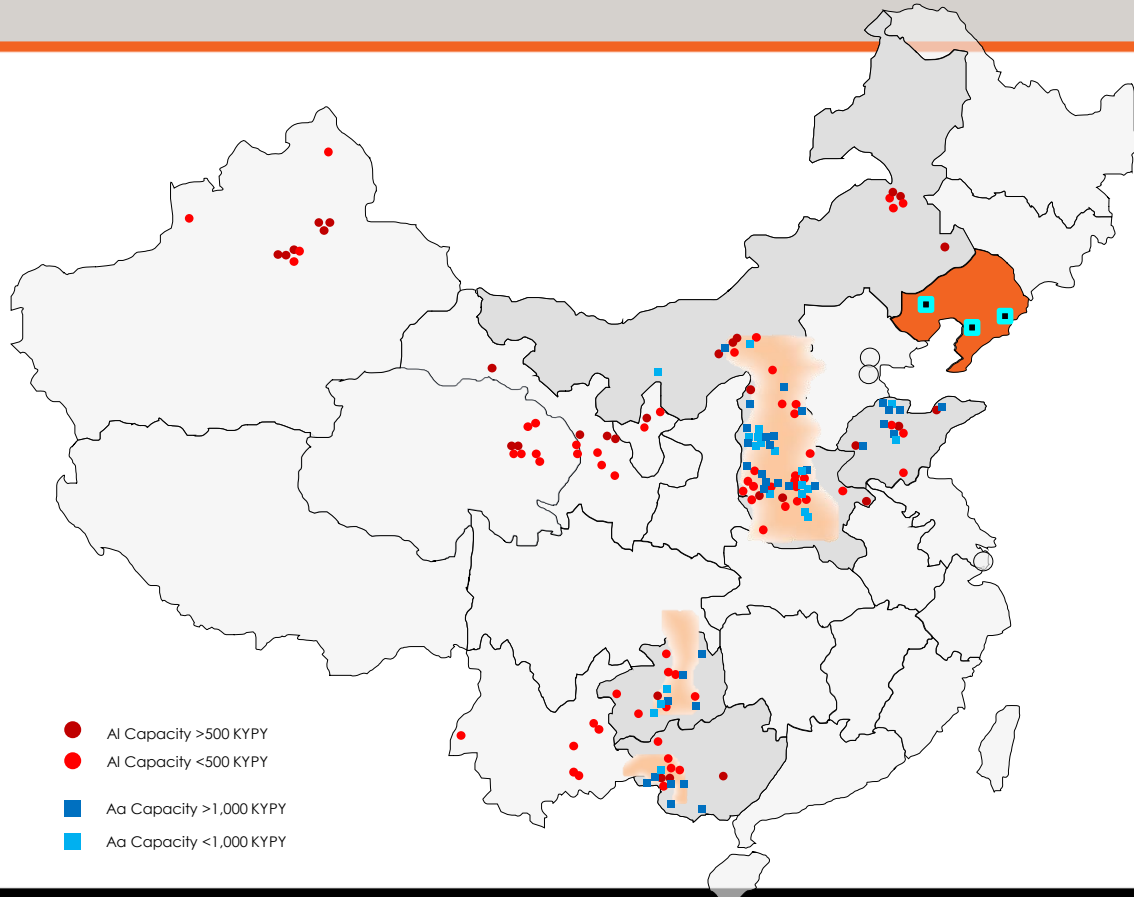
China vs ROW Primary Aluminium Capacity 2000–2017 (Mtpy)



Source: IAI, CM Analysis

Map of China's Major Alumina & Primary Aluminium Bases

Source: CM Group



China's Main Bauxite Concentration

China's major alumina producing provinces:

1. [Shandong](#)
2. [Shanxi](#)
3. [Henan](#),
4. [Guangxi](#)
5. [Guizhou](#)
6. [Inner Mongolia](#)

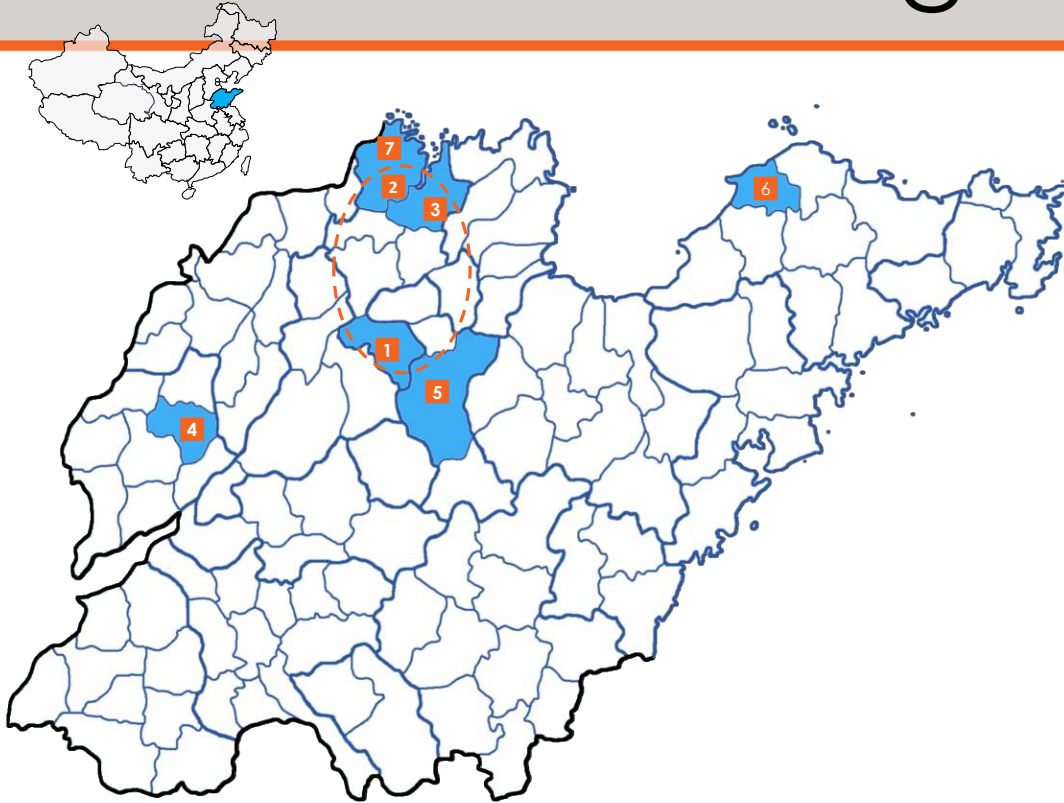
Liaoning Province is emerging as a major player, with three projects planned or under construction

China's top 11 primary Al production provinces

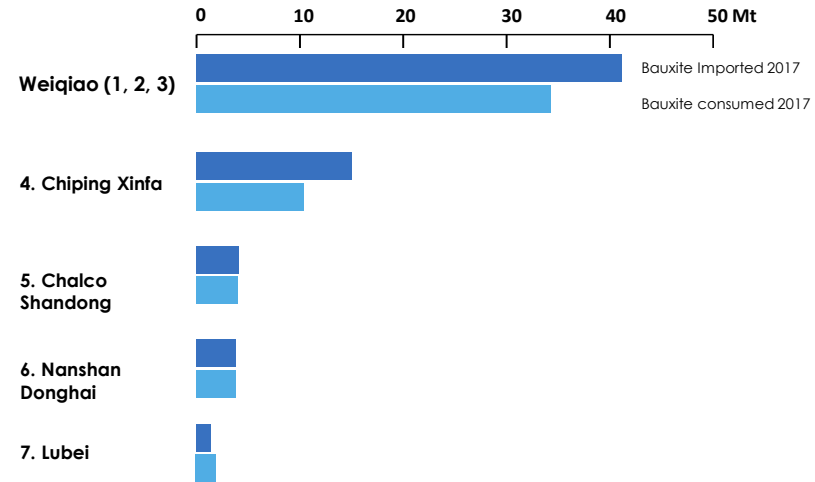
1. [Shandong](#)
2. [Xinjiang](#)
3. [Inner Mongolia](#)
4. [Henan](#)
5. [Gansu](#)
6. [Qinghai](#)
7. [Yunnan](#)
8. [Ningxia](#)
9. [Guizhou](#)
10. [Shanxi](#)
11. [Guangxi](#)

Shandong - Alumina

Source: CM Group



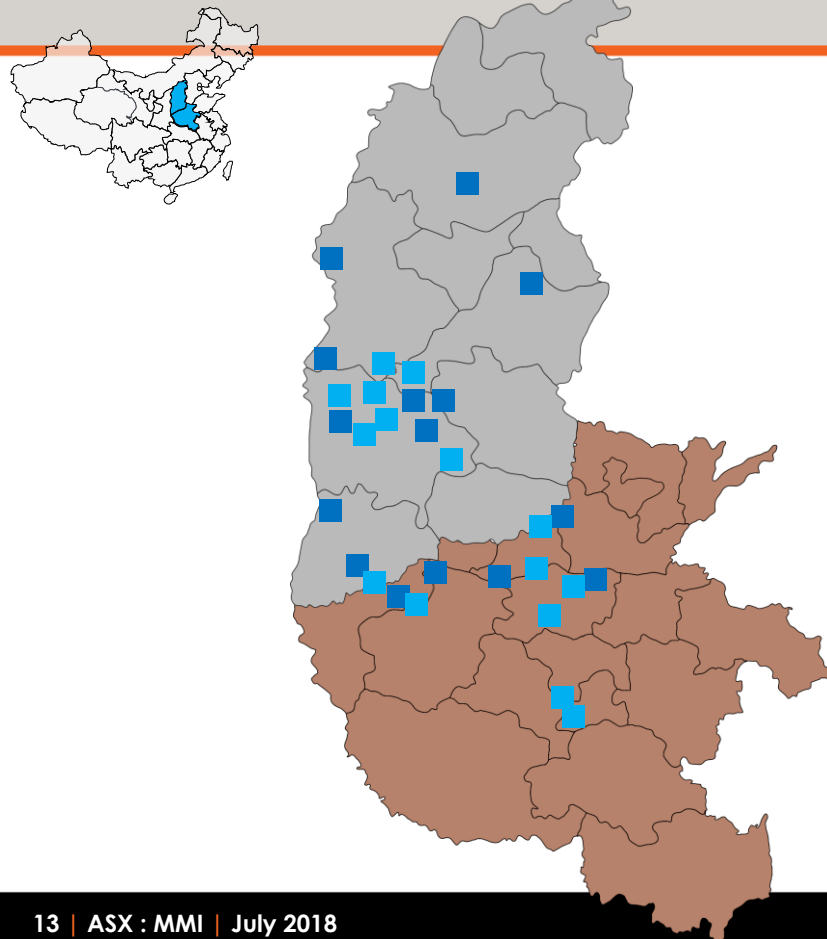
Groups	Bauxite Import in 2017	Bauxite Consumed in 2017
Weiqiao	41.3 Mt (26.8 Mt from Guinea)	34.4 Mt
Xinfa	15.1 Mt (8.9 Mt from Australia)	10.4 Mt
Chalco	4.1 Mt (2.6 Mt from Brazil)	4.0 Mt
Nanshan	3.9 Mt (3.4 Mt from Brazil)	3.9 Mt
Lubei	1.3 Mt (Malaysia/Indonesia)	1.9 Mt



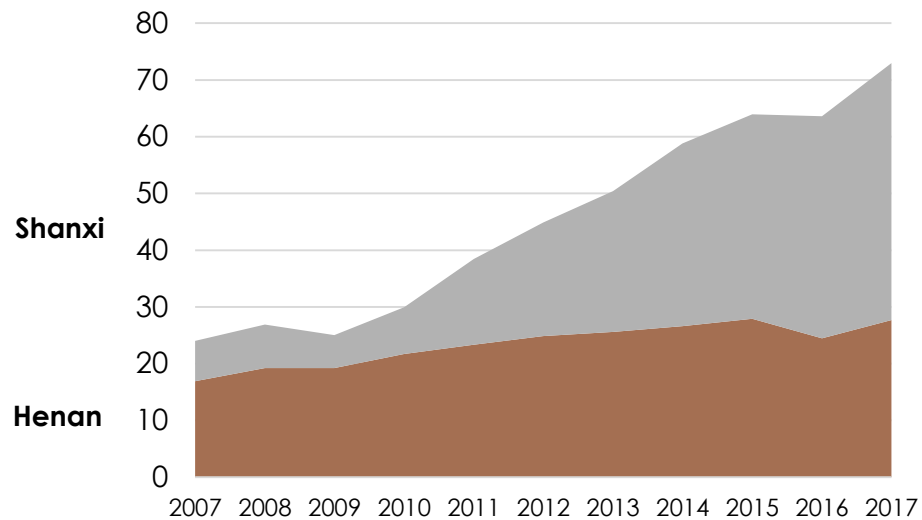
* Note: two small refineries (Qixing and Nanhan) are currently not operating

Shanxi & Henan - Alumina

Source: CM Group

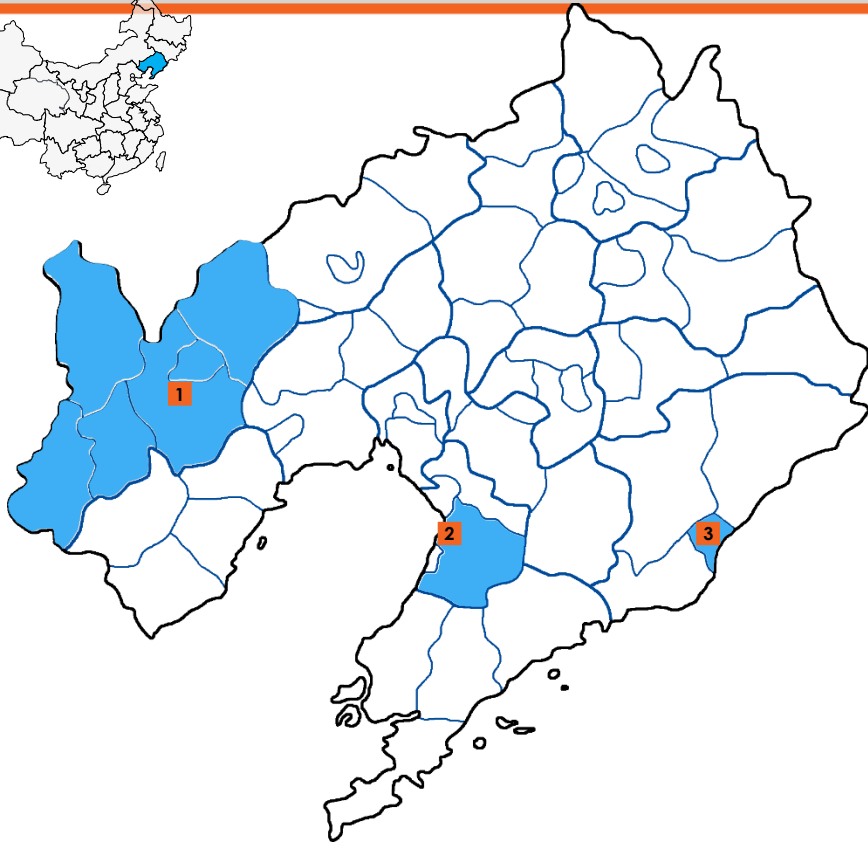


Bauxite Consumption - MTPY



Liaoning - Alumina

Source: CM Group



1. Jinggang Aluminium 10 MTPY Planning

Owner: Jinzhou Port Group
Bauxite Source: Guinea, Australia

Plans to construct by phases, with Phase I scheduled to commence construction October 2018, and the first production line to come on stream in June 2020, with total investment of RMB 24.2 billion

2. Dananshan Alumina 2.5 MTPY Constructing

Owner: Bosai Group
Bauxite Source: Ghana and others

Started construction on Mar 28, 2018 and scheduled to come online in end-2019. Two production lines with total investment of RMB 5 billion

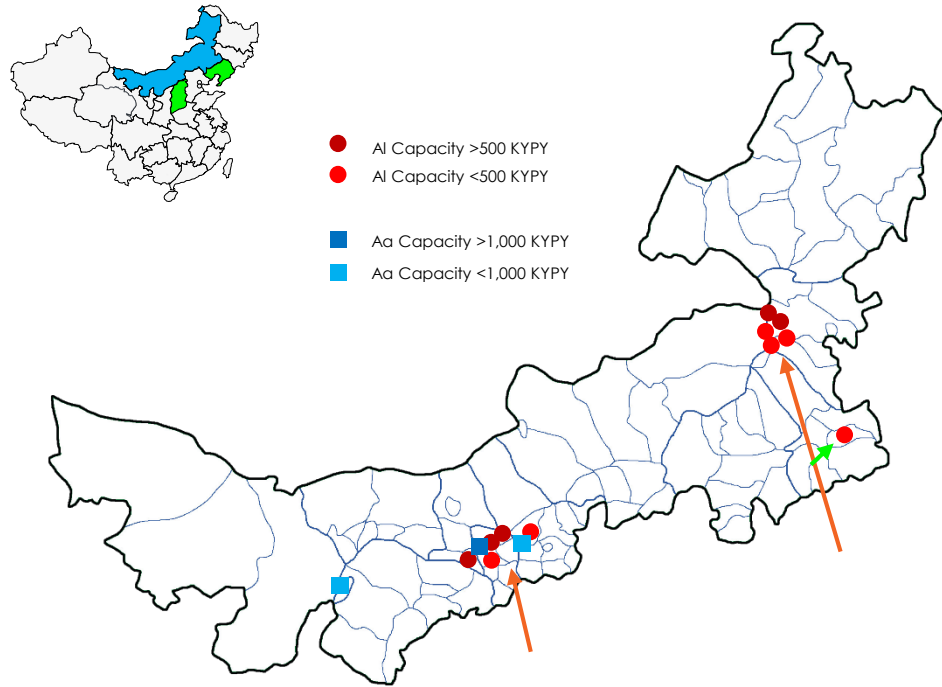
3. Danfeng Aluminium 6 MTPY Planning

Owner: Jinjiang Group
Bauxite Source: -

Feasibility report just got approvals, and the total investment reaches RMB15 billion

Inner Mongolia – Alumina & Aluminium

Source: CM Group



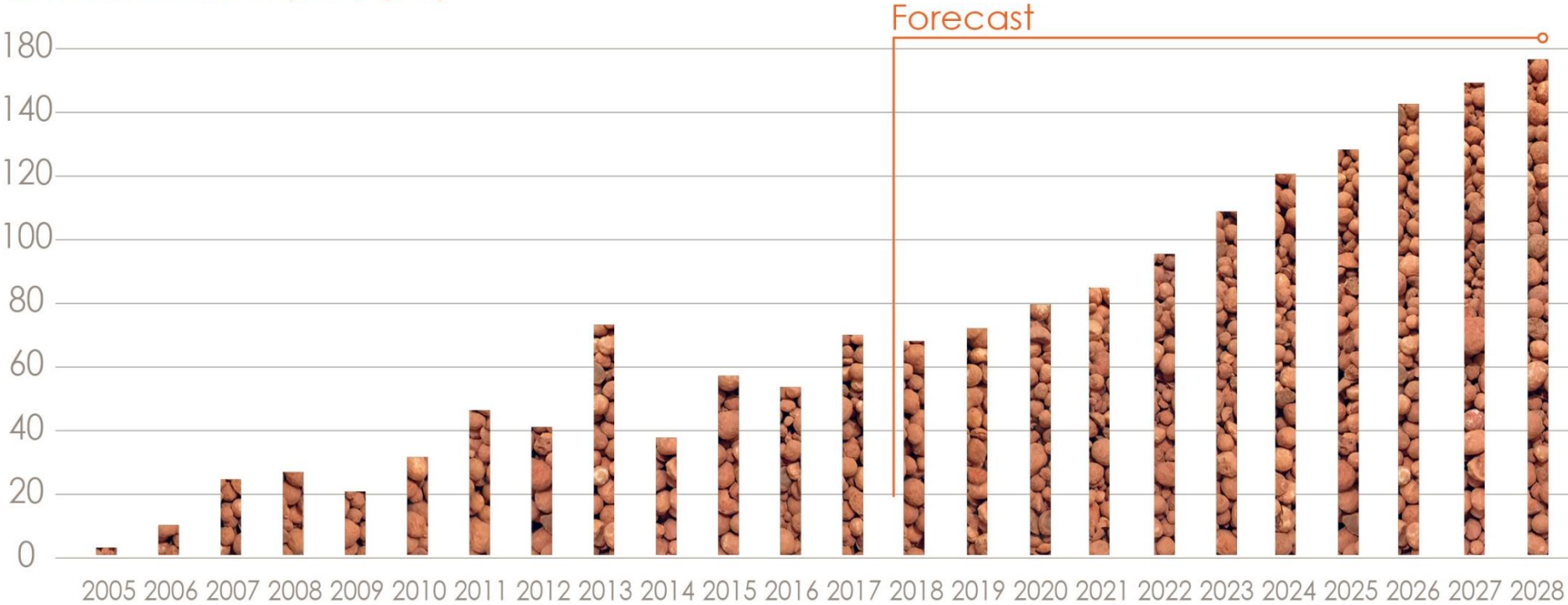
❖ Inner Mongolia has three alumina refineries, with total refining capacity at 1.4 MTPY (inclusive of 0.2MTPY idled), ranking the highest in China's alumina cost curve.

❖ Inner Mongolia's primary aluminium smelting capacity at 4.6MTPY, with its alumina demand disproportionately larger than local supply.

- The Central Cluster mainly relying on alumina from Shanxi
- The Eastern Cluster mainly now mainly relying on alumina from Shanxi and Shandong, but Liaoning is forecast to be the future source of alumina due to its proximity.

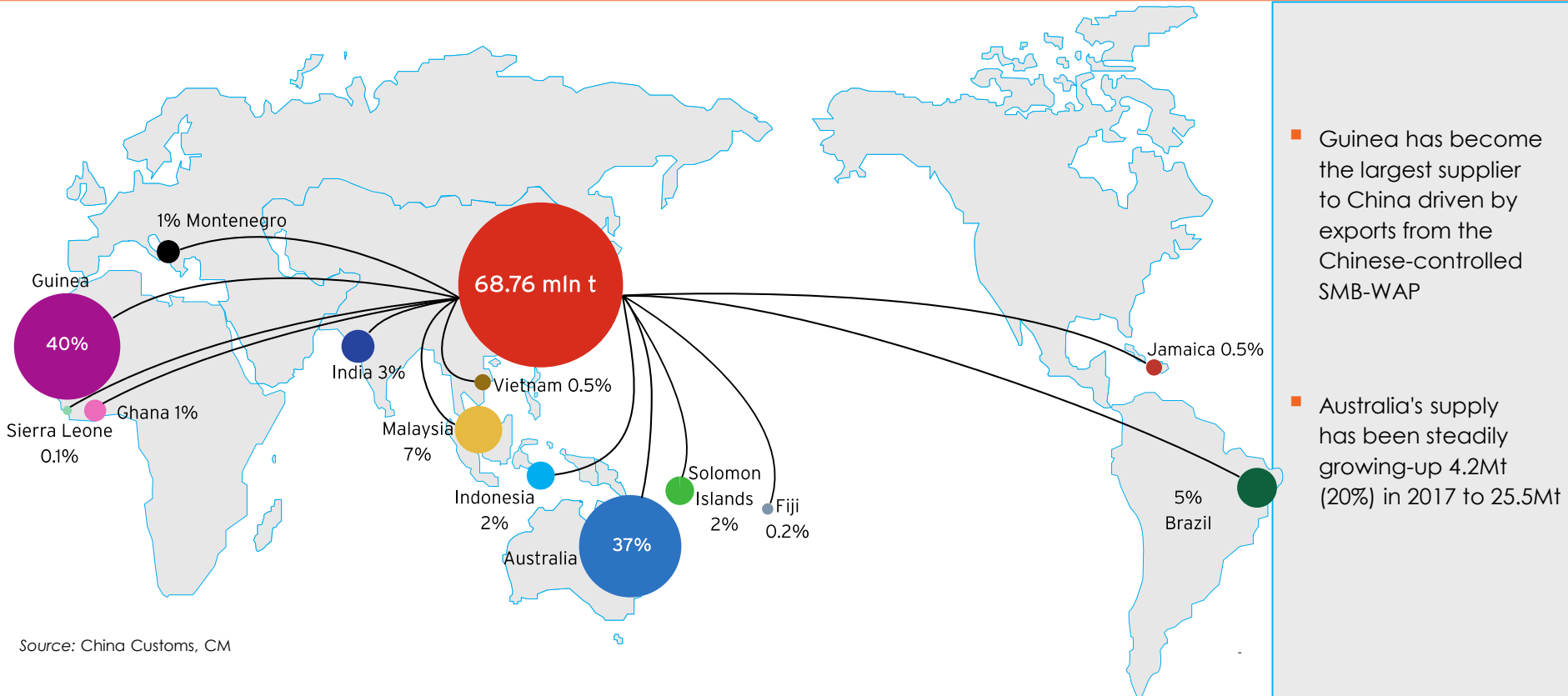
China Demand Outlook Remains Strong

China Bauxite Imports (Mt)



Source: CM Group

China's 2017 Bauxite Imports



Favourable Price Dynamic

CBIX Weighted Daily Price VS Alumina Price Index

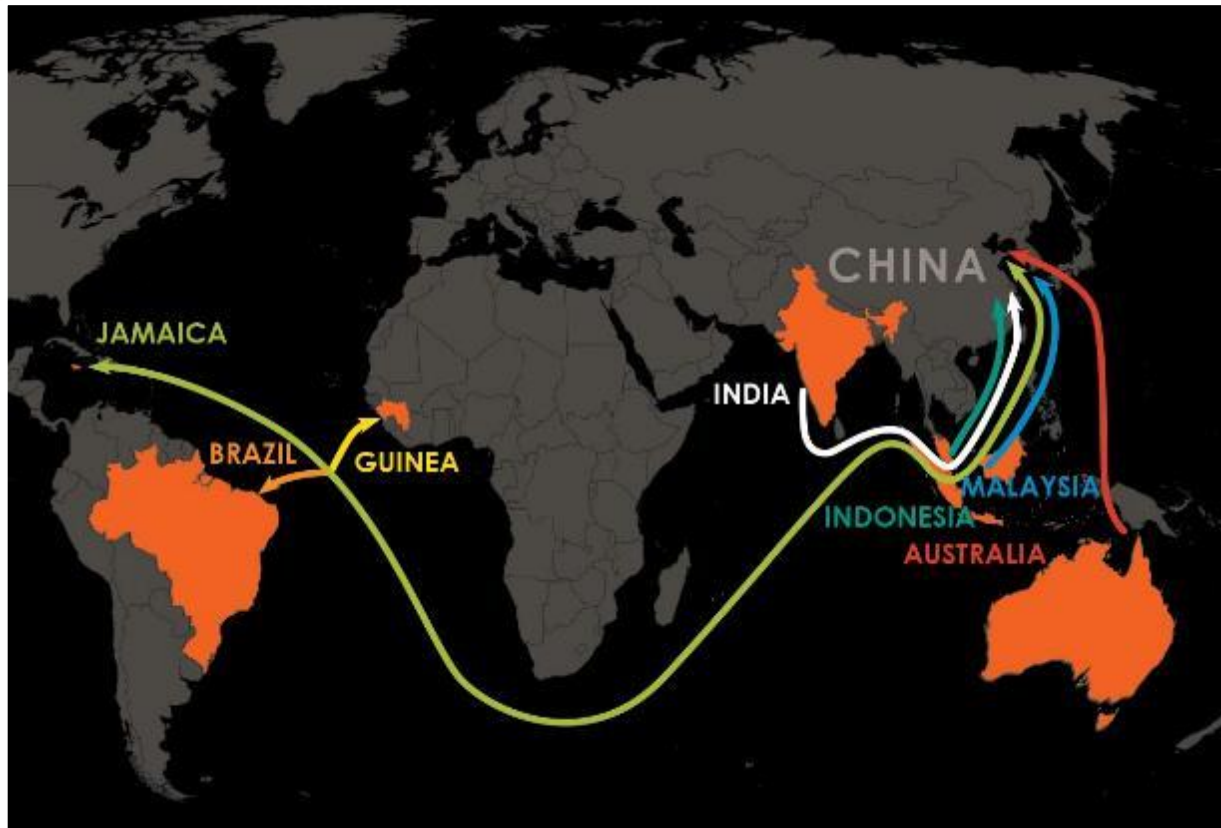


- Alumina prices have outperformed the CBIX Bauxite Price over the past 2 years
- Xinfa off-take pricing is linked to the Alumina price index providing Metro an attractive sales price relative to spot bauxite market prices
- Trial shipments have been agreed based on bauxite market prices (NB: these are expected to be at a discount to the CBIX price reflecting differences in product specs)

Source: Aladdiny & CM Group

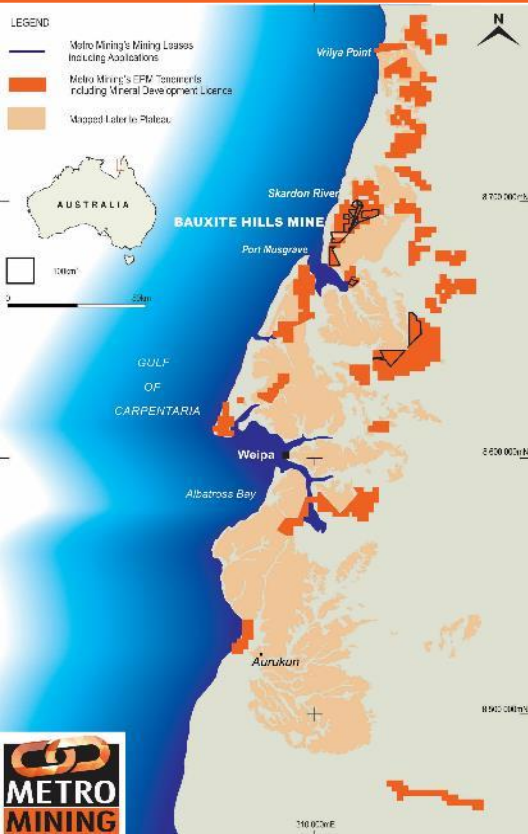


China Shipping Advantage



- Location, Location, Location
- Metro's low cost shipping is a sustainable cost advantage to China relative to competing bauxite producers, particularly Guinea
- Cape York Bauxite is well known in and well received by Chinese market
- Short shipping time allows delivery flexibility
- Freight rates have increased reflecting higher ship utilisation and oil prices. However, as ocean freight increases, Metro's cost advantage also increases

Significant Regional Exploration Upside



- Metro's exploration exposure covers >1,800km² of holdings (including Bauxite Hills) on Cape York
- All tenements are well located on the lateritic plateaus that have the potential to host bauxite mineralisation
- Close proximity to the coast
- Potential to supplement Bauxite Hills – internal growth
- Ongoing exploration work planned for CY2018
 - ▶ Reconnaissance sampling
 - ▶ Drilling of priority targets
- Identify other opportunities on Cape York and in other prospective locations

Positive Community Relationships

Ankamuthi Elders George Williams and Richard Woosup and Metro's Environmental heritage Support Officer Barunah "Bruno" Sagiba



- ▶ "Welcome to Country Ceremony" held at Bauxite Hills Mine site in April 2018.
- ▶ Major Ankamuthi family groups plus Metro's Chair, Stephen Everett, Managing Director, Simon Finnis and Metro employees attended.
- ▶ Official Welcome Ceremony performed by Ankamuthi Elder George Williams
- ▶ Current Indigenous employment is 38% (Target 20%)



Ankamuthi Elder, George Williams, is welcomed by Metro personnel

Summary – A Compelling Story

1

Metro has moved from Developer to Operator – as anticipated

2

Production is ramping up well - production commenced in April'18

3

Long-life mine supplying bauxite from a stable jurisdiction

4

Strong seaborne bauxite market to China drive positive price & demand outlook

5

Recent achievements have delivered platform for ongoing value creation

6

Australia's leading independent bauxite producer with strategic appeal

Disclaimer



FORWARD LOOKING STATEMENT

Statements and material contained in this ASX Announcement, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of Metro Mining Limited, 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 this ASX Announcement (including data used in the graphs) are sourced from third parties and Metro Mining has not independently verified the information. Metro Mining 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 ASX Announcement 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 ASX Announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

COMPETENT PERSON'S STATEMENT

The information in this ASX Announcement that relates to Exploration Results is based on information compiled by Neil McLean who is a consultant to Metro Mining and a Fellow of the Australian Institute of Mining and Metallurgy (F.AusIMM). Mr. McLean 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'. Mr. McLean consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

COMPETENT PERSON'S STATEMENT

The information in this ASX Announcement to which this statement is attached that relates to the "Metro Mining – Bauxite Hills" 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Edward Bolton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For Further Information

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