



Explore | Define | Mine  
Noosa Mining Conference  
July 2019

# Investment Rationale



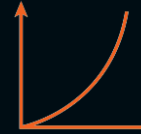
Revenue Earning



Long Life Mine



Generating Cash



Strongly Growing Market



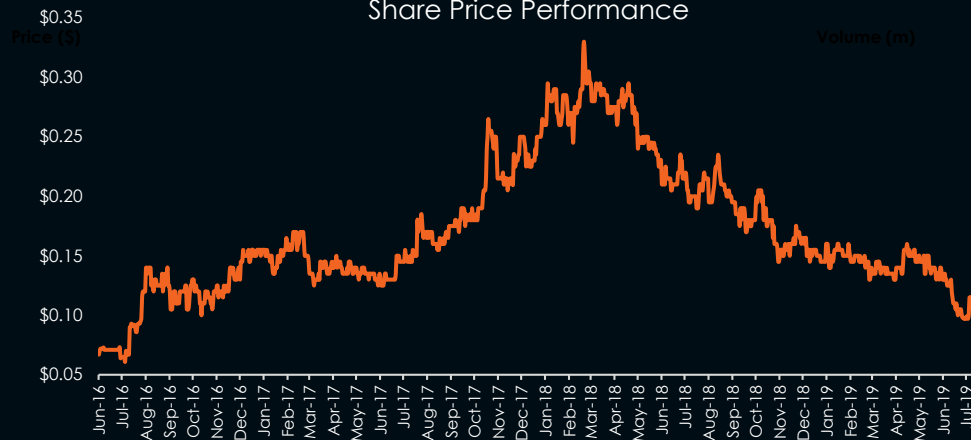
Simple Project –  
Low CAPEX & OPEX



Enduring Geographical  
and jurisdictional  
Competitive Advantage

# Share Price & Corporate Structure

Share Price Performance

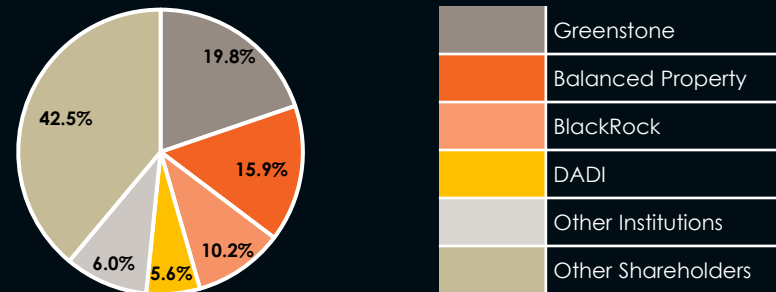


Share Price (15 July 2019)	A\$0.12
Shares on Issue	1,383.4M
<b>Market Capitalisation</b>	<b>A\$166.0M</b>
Options Unlisted	30.1M
Cash and Receivables (30-June-2019)	A\$29.5M
Debt Facilities	A\$42.1M
<b>Enterprise Value</b>	<b>A\$178.5M</b>

Board of Directors

Independent Chairman	Stephen Everett
Managing Director & Chief Executive Officer	Simon Finnis
Non-Executive Director	Mark Sawyer
Independent Non-Executive Director	Philip Hennessy
Independent Non-Executive Director	Fiona Murdoch

Share Register



# Bauxite is the Primary Ore of Aluminium

Key Ingredient for Manufacturing Aluminium



4-6 tonnes bauxite

=



2 tonnes alumina

=



1 tonne aluminium

## Key Bauxite Value Drivers

**Grade**

Alumina content ranges from 30% - 65% and silica ranges from 2% - 30%

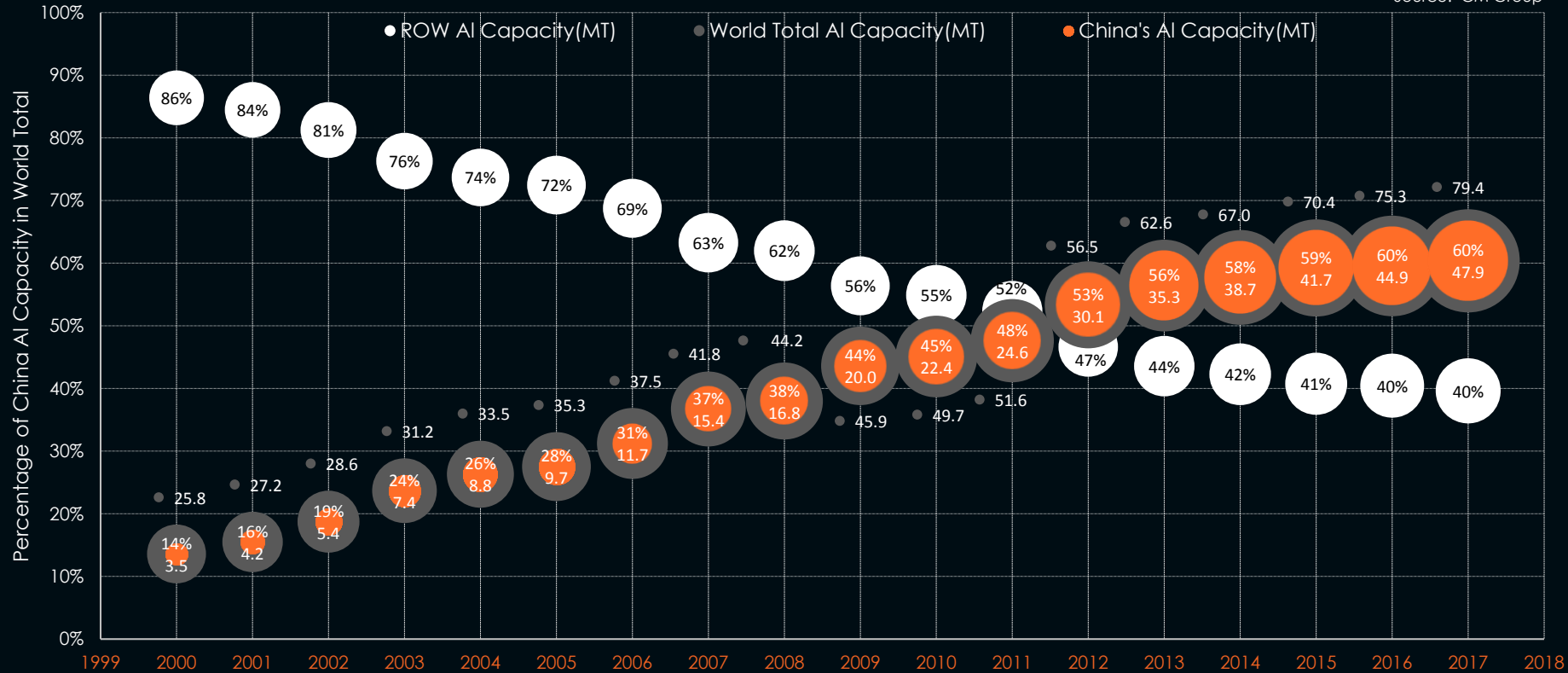
**Location**

Proximity to buyer, supply reliability and sovereign risk

# China vs ROW Primary Aluminium Capacity 2000 – 2018 (Mtpa)

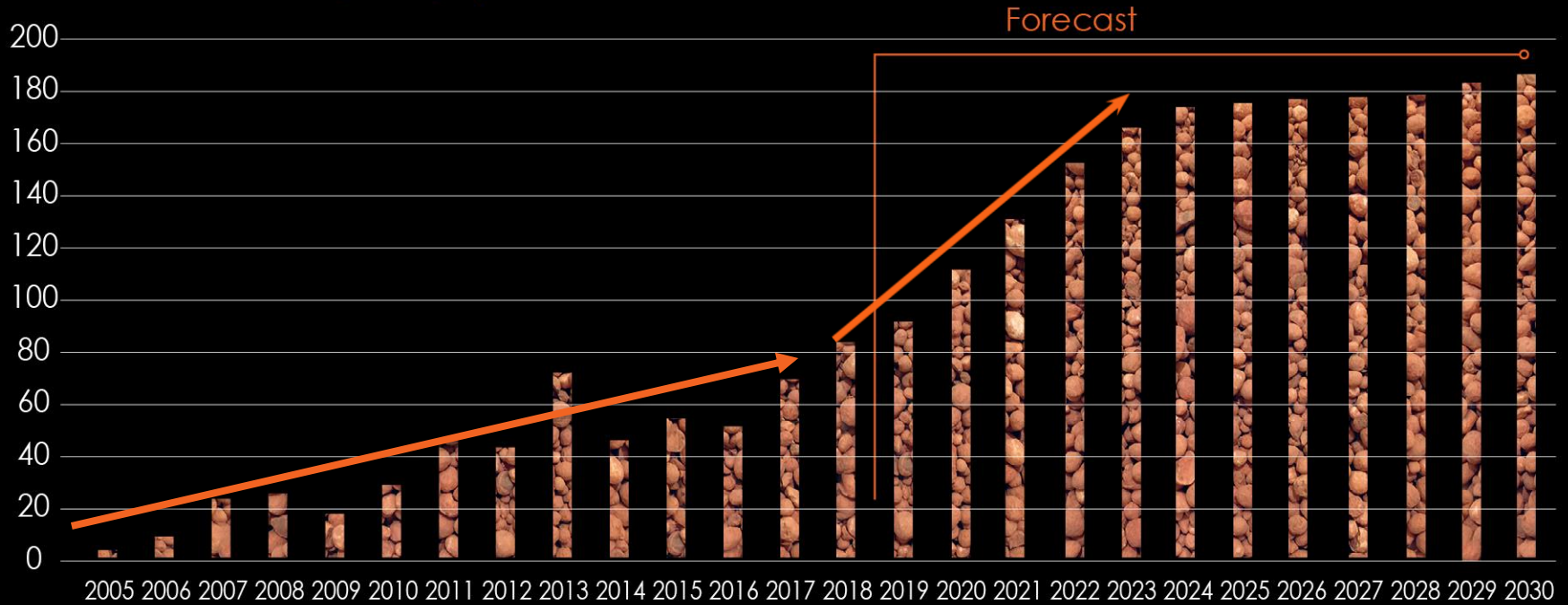
Source: IAI, CM Analyst

Source: CM Group



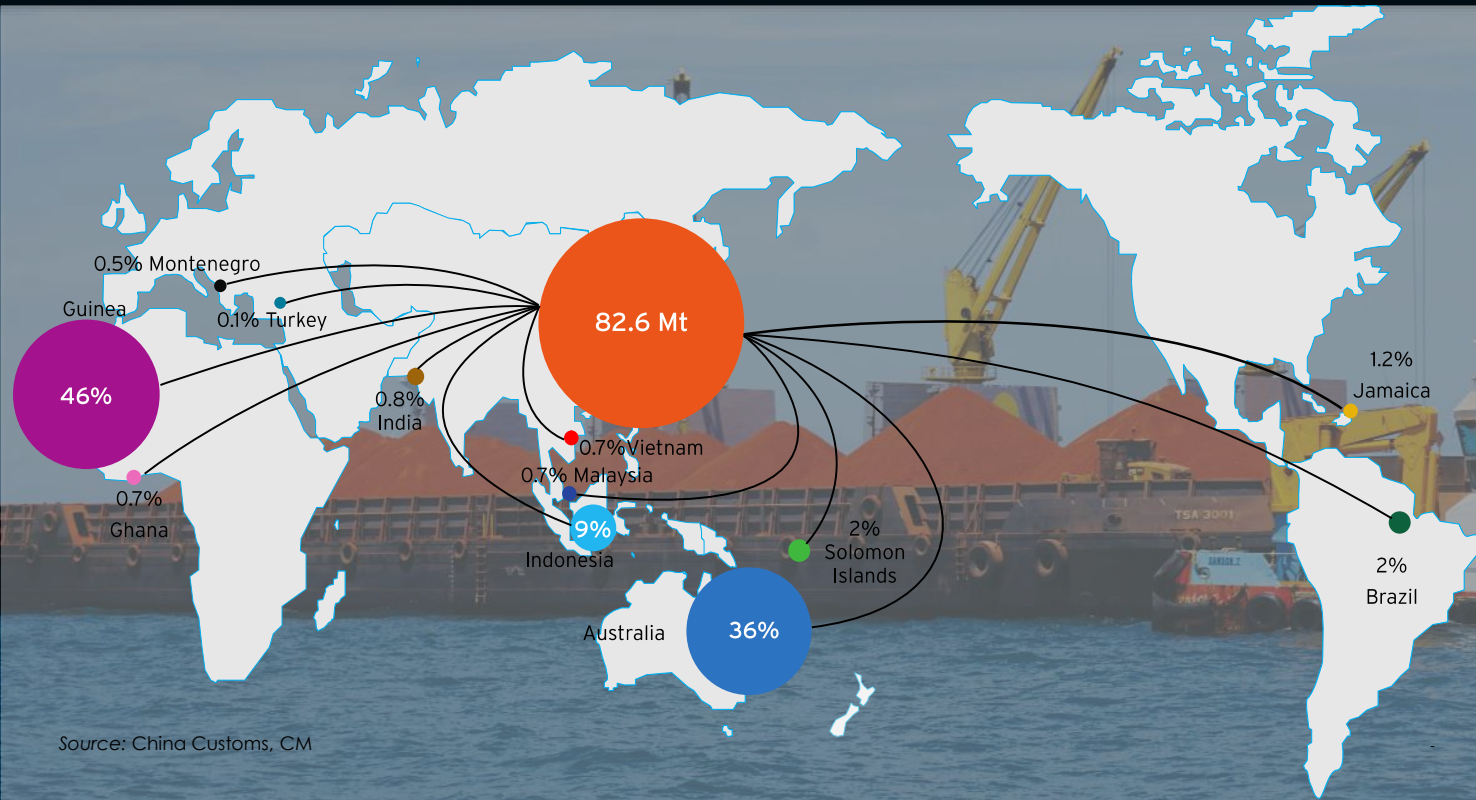
# China Demand Outlook Remains Strong

China Bauxite Imports (Mt)



Source: CM Group

# China's 2018 Bauxite Imports



Source: China Customs, CM

- Guinea now largest supplier to China. BUT 98% of exports are from the Chinese-controlled SMB-WAP
- Australia's supply is steadily growing, up 4.1Mt (16%) in 2018 to 29.6Mt
- Indonesia & Malaysia now less relevant
- Ocean freight on an upward trend
- 2019 Bauxite imports estimated at 95.0Mt

# Alumina Producers China

Source: CM Group



## Main Bauxite Consuming Provinces

1. Shandong (65MT)
2. Shanxi (49MT)
3. Henan (27MT)
4. Guangxi (18MT)
5. Guizhou (10MT)

## Liaoning Province and Inner Mongolia

Emerging as major new players, with several projects planned or under construction

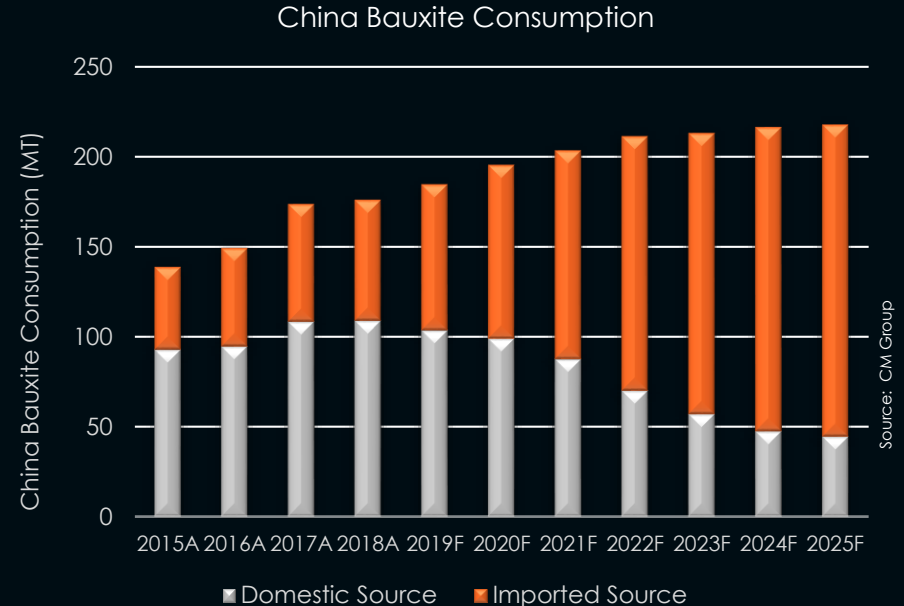
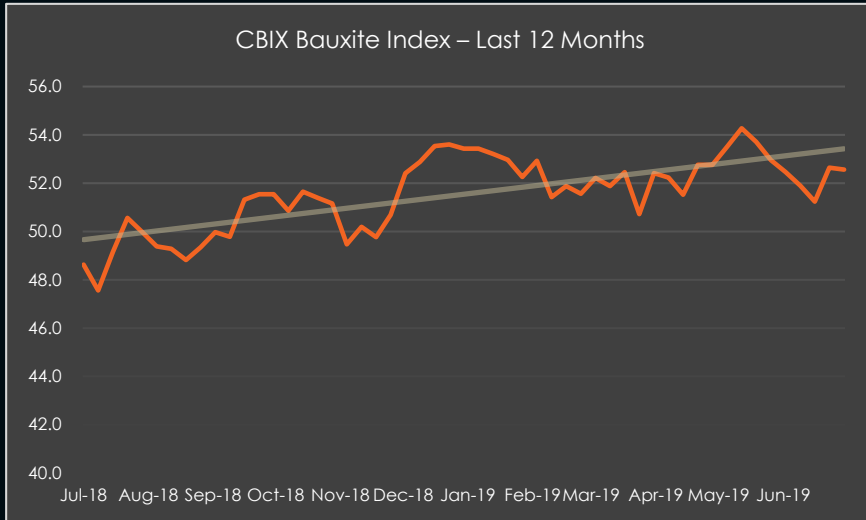
Source: CM Group



# Bauxite Market & Price Outlook

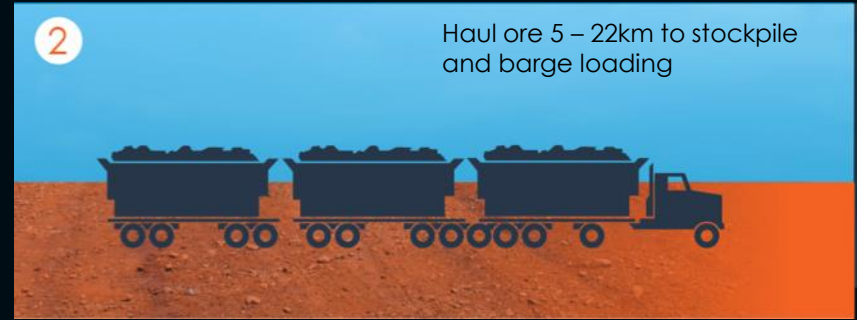
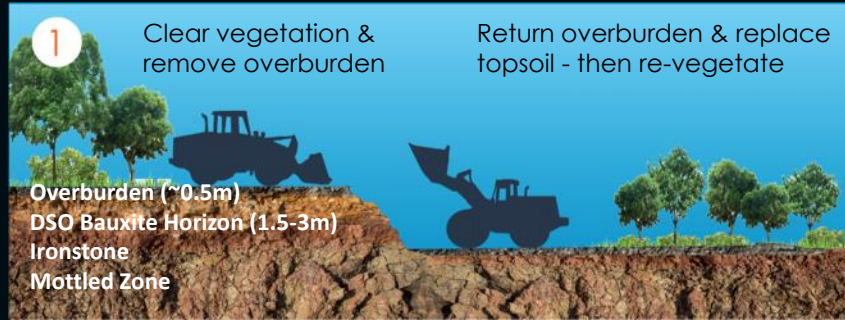
Source: CM GROUP

- China imports continue to increase with total 2018 imports exceeding 82M WMT
- Bauxite prices in an upward trend with CBIX bauxite index currently US\$52.60 DMT (dry metric tonne)
- Strong demand for Metro's bauxite from Chinese inland Refineries as domestic bauxite supply has been hindered by resource depletion, recent mine closures and environmental audits



# Bauxite Hills Project

- DSO - virtually no overburden, no blasting, no engineering or pit design required, no processing
- To ensure quality there are sophisticated processes around mine planning and quality control.



# Metro's Road to Production!



Gained control of Bauxite Hills in early 2015

Financed and constructed all in 2017 – CAPEX A\$37M

Dec 2018 – 3.5Mt Expansion

Takeover of Gulf – doubled resource and reserve – Dec 2016

April 2018 – 1st Production

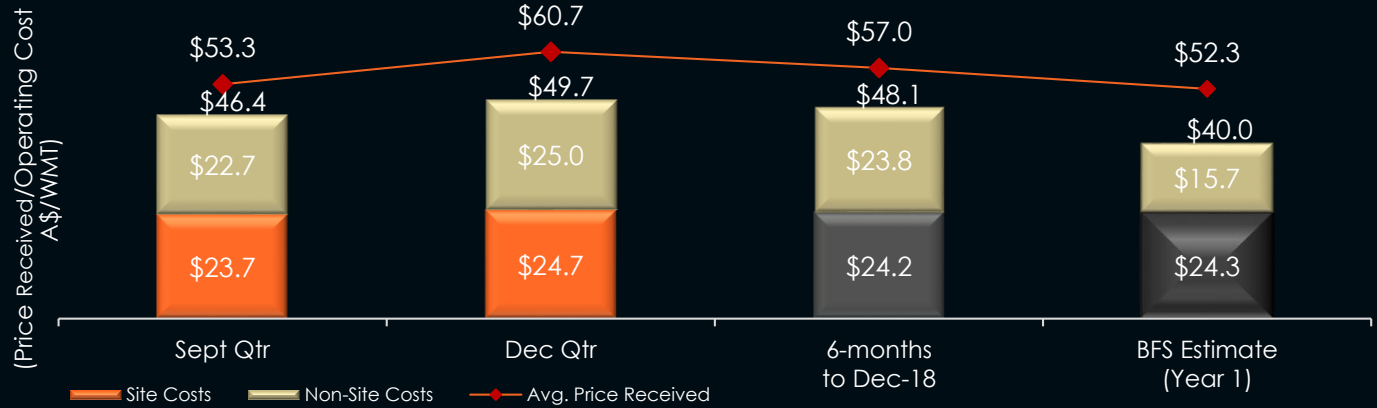
July 2019 – 3Mt Mined

# 2018 2H Results

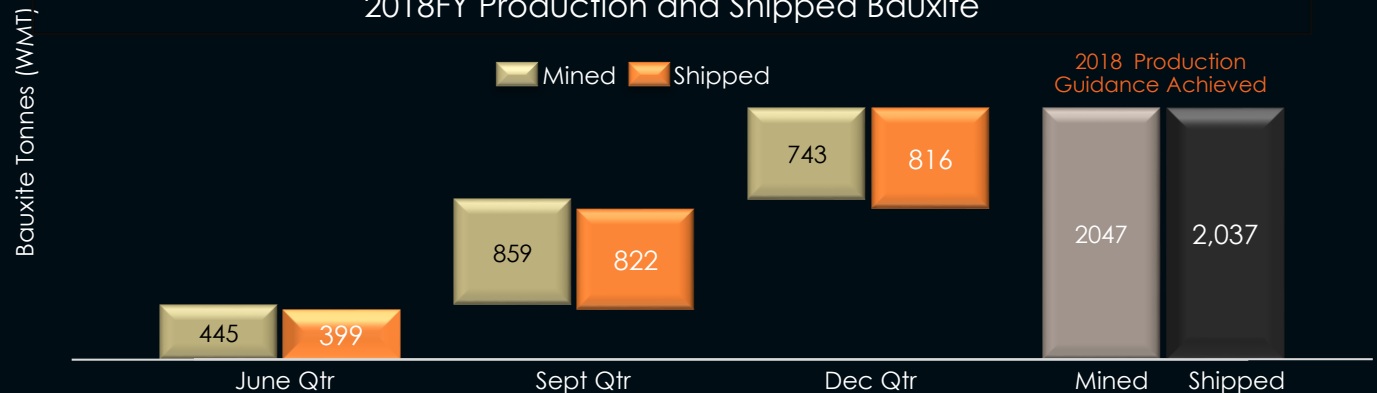
Revenue  
\$93.2M

Mine  
EBITDA  
\$13.1

### 2018 2H Operating Costs & Realised Prices



### 2018FY Production and Shipped Bauxite

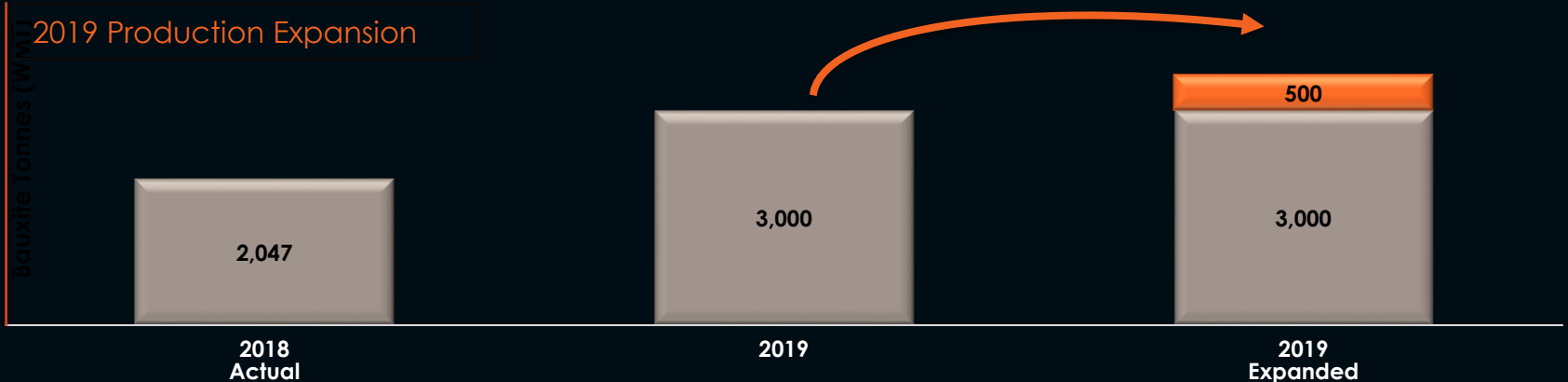


# 2019 Expansion to 3.5Mt

Capital Cost \$6.8M

## Summary of Key Improvements

- ✓ Add Jaw Crusher to treat oversized material
- ✓ Increase the screening capacity at the Port
- ✓ Increase the current haulage fleet
- ✓ Supplement the marine fleet and infrastructure

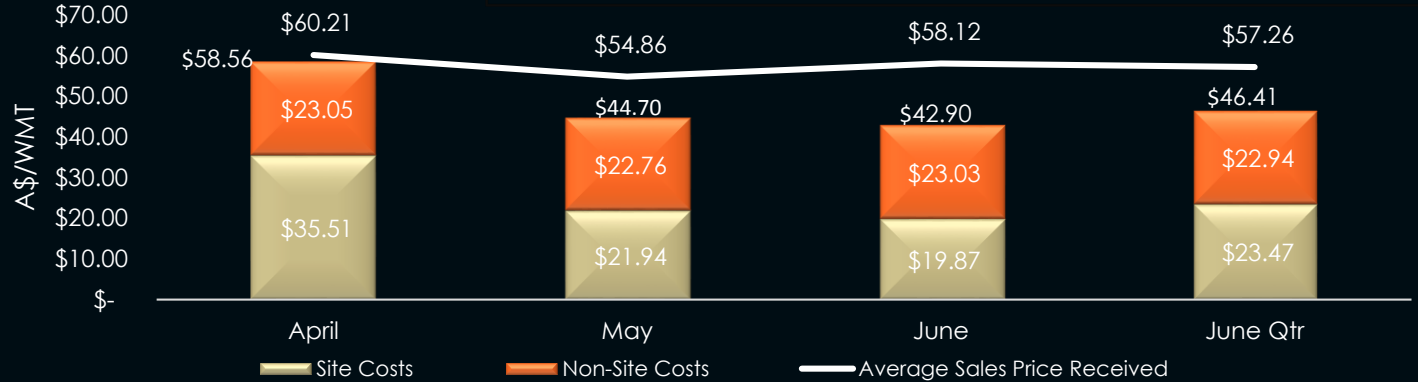


# 2019 June Qtr Results

Revenue  
\$48.4M

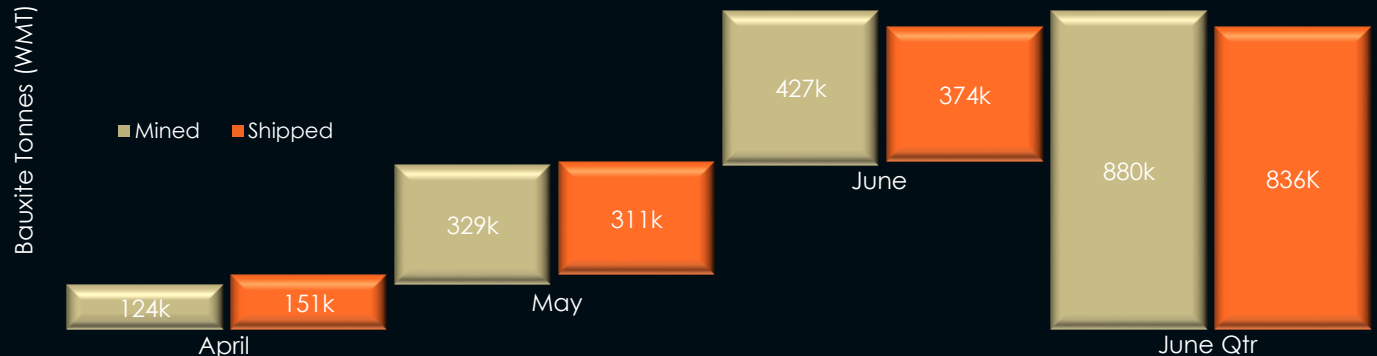
Mine  
EBITDA  
\$9.1M

## 2019 June Qtr Operating Costs & Realised Prices



Note: Non-Site Costs refers to ocean freight and royalties

## 2019 June Qtr Production and Shipped Bauxite



# Future Growth

Reserve up  
17.3Mt (18.8%)  
to 109.5Mt (wet)

- Depletion by mining
- Conversion of existing resources
- Moisture assumption adjustment based on operational experience

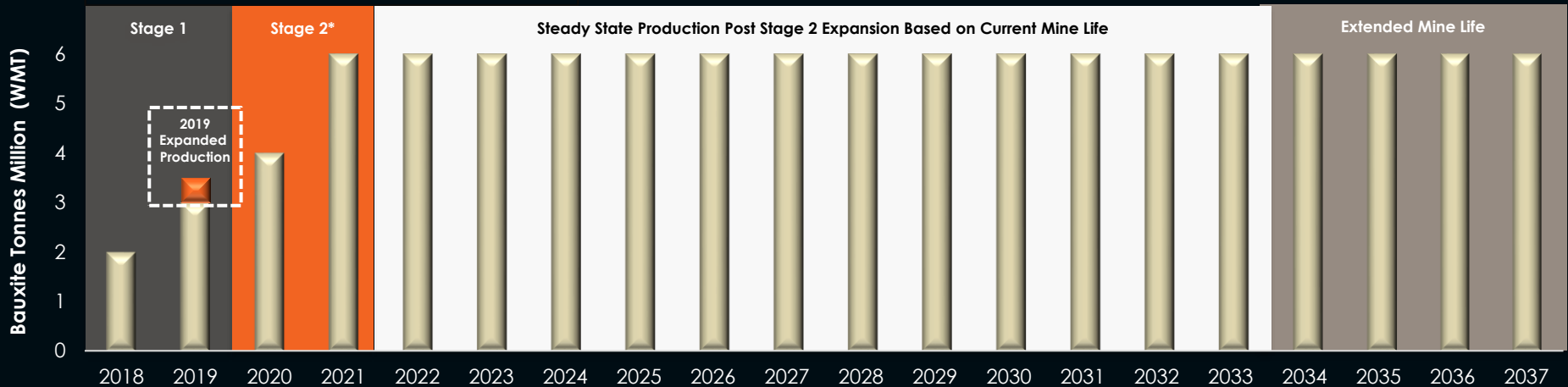
Resource down  
6.4Mt (4.6%) to  
138.2Mt (dry)

- Depletion by mining
- Adjustment to dry bulk density
- Measured category up 42.8%

Stage 2  
Expansion DFS  
update

- Definitive Feasibility Study largely complete
- Further detailed work on the floating ship-loader actioned
- Expansion sets mine up for next 15 years & vital to take time for informed decision
- Results within August

## Strong Stage 2 Production Expansion



# Positive Community Relationships

- Relationship continues to grow and flourish
- Metro a key part of Northern Cape York Community
- Current Indigenous employment is 39% (target 20%)
- Business opportunities for indigenous groups being assessed with one already in place





# Investment Rationale



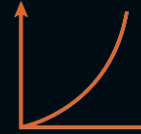
Revenue Earning



Long Life Mine



Generating Cash



Strongly Growing Market



Simple Project –  
Low CAPEX & OPEX



Enduring Geographical &  
jurisdictional competitive  
advantage



# 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.

## For Further Information

**Contact: Simon Finnis – Chief Executive Officer & Managing Director | Chief Financial Officer – Duane Woodbury**  
**Ph: +61 (0) 7 3009 8000 | Head Office: Lvl 2, 247 Adelaide Street, Brisbane Q 4000 | GPO Box 10955, Brisbane Q 4000**

## COMPETENT PERSON'S STATEMENT

The information in this report that relates to the Bauxite Hills Mine Mineral Resource is based on information compiled by Ed Radley who is a consultant to Metro Mining and a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). Mr Ed Radley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Ed Radley has consented in writing for inclusion in this Report the matters based on the information in the form and context it appears.

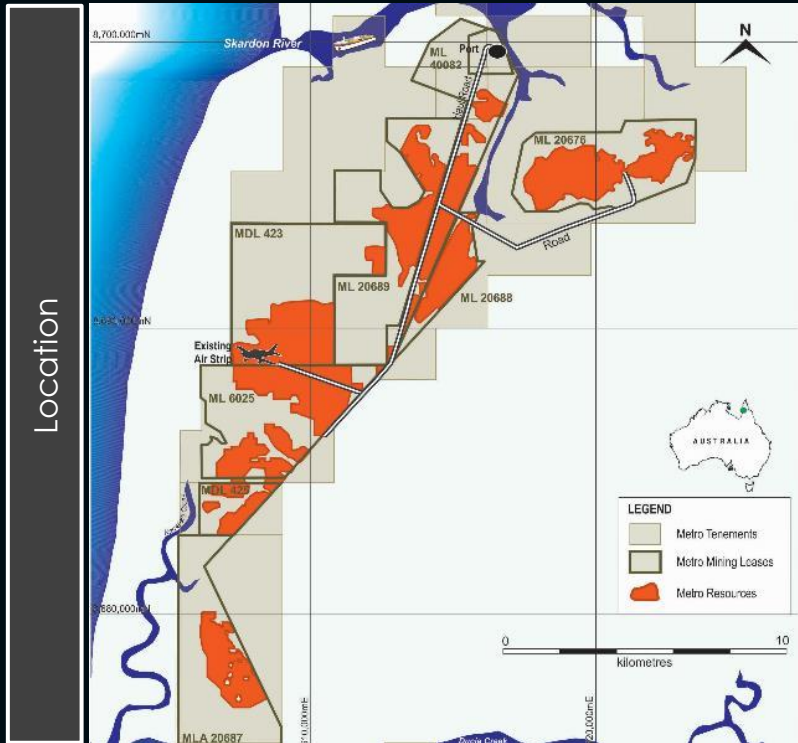
## COMPETENT PERSON'S STATEMENT

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. Competent Person Statement:

## COMPETENT PERSON'S STATEMENT

The information in this report 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.

# Bauxite Hills Mine Snapshot



## Key Statistics

Project Overview	Ownership:	Metro (100%)			
	Commodity	Bauxite			
	Location:	Cape York, Qld			
	Product Type	Direct Shipping Ore			
	Contained Mineral:	<b>Reserves</b>	109.5Mt <sup>1</sup>	<b>Resources</b>	138.2Mt <sup>1</sup>
	Mining	<b>Mine Type</b>	Surface mining	<b>Status</b>	Operational
Operational Overview	Commenced Mining	April 2018			
	2018 Production	~2.04M WMT			
	2019 Production	~3.4M WMT			
	Future Production <sup>2</sup>	~6M WMT pa (from 2021)			
	Mine Life	19 years <sup>1</sup>			
	Operations	Mining & transshipment			
	Workforce	~240 personnel			

1. ASX Release 17 July 2019

2. subject to Board approval of expansion to stage 2