



A\$47.5M Loan Facility from NAIF

Highlights

- The Board of the **Northern Australia Infrastructure Facility ("NAIF")** has made an **Investment Decision** to offer a Loan Facility for Metro Mining Limited's Bauxite Hill's Mine Stage 2 Expansion to 6.0 Million Wet Metric Tonnes ("WMT") per annum.
- The Facility is for up to A\$47.5 Million provided through a loan for up to 9 years.
- The NAIF funding is to be used for the construction and mobilisation of a Floating Terminal at Skardon River. The Floating Terminal is the main component of Stage 2 comprising around 85% of the total estimated capital costs.
- Metro and NAIF are working together to finalise documentation and satisfy customary Conditions Precedent ("CPs") to drawdown including all Government approvals in relation to the financing.
- The NAIF funding is a critical part of Metro's funding strategy for execution of the expansion at Bauxite Hills by 2021.
- Final Metro Board decision will follow completion of the detailed engineering and design work from Rocktree Consulting S.r.L ("**Rocktree**").

Metro Mining Limited (ASX:MMI) ("Metro") is pleased to provide the following update regarding financing for Stage 2 Expansion of the Bauxite Hills Mine north of Weipa on Eastern Cape York.

Metro has been advised the NAIF Board has made an Investment Decision to support the Stage 2 Expansion of the Bauxite Hills Mine by providing a long-term Loan Facility of up to A\$47.5 Million.

The NAIF Facility is subject to written agreements being entered into between the parties and satisfaction of customary CPs to drawdown. These CP include:

- Conclusion of the Federal Ministers' consideration period as outlined in the NAIF Act 2016; and
- Finalisation of the Queensland Government's consideration of the Project and its agreement for the approved funds to be advanced.

The Loan is also a recognition of the public benefits that will continue to be generated for Cape York as a result of the Bauxite Hills Mine and an Indigenous engagement strategy creating significant employment for local communities. Approximately 40% of the Bauxite Hills Mine workforce is currently Indigenous. Metro will continue to provide opportunities as part of the Stage 2 Expansion.

This positive Investment Decision is further confirmation of the strong long-term financial returns to be generated from the Stage 2 Expansion. The mine life is out to 2037 and following commissioning of Stage 2, Bauxite Hills will be positioned in the lowest quartile of the global cash cost curve for bauxite producers.

Metro Mining Managing Director and Chief Executive Officer, Simon Finnis, said:

"We are very pleased to have secured the support of NAIF in providing a long-term loan to provide financing for the Stage 2 Expansion. Bauxite Hills will be a significant contributor to the economy of Northern Australia and a large employer from the surrounding communities for many years to come.

I would like to personally thank the NAIF team for their time and commitment during the due diligence process in order to understand the Project, the global bauxite market and its importance to Northern Australia.

With the Stage 2 DFS complete and financing secured, we are now awaiting completion of the final design of the Floating Terminal in order to be in a position to present to the Board for final approval".

Ms Amanda Copping, NAIF Acting CEO, said:

"This commitment to Metro Mining Limited is further demonstration that NAIF funding is supporting economic and social development in Northern Australia particularly Queensland. Metro has an established track record of providing employment opportunities in the Cape York region.

We are pleased that this support from NAIF will assist the company in its long-term expansion plans with a project that will generate over \$500 million in public benefit and create jobs in the Cape."



About NAIF:

The Northern Australia Infrastructure Facility (NAIF) is a Commonwealth Government \$5bn lending facility to finance projects via the governments of the Northern Territory, Queensland and Western Australia to achieve growth in the economies and populations of northern Australia and encourage and complement private sector investment.

Projects supported by NAIF are diversified across sectors including ports, airports, tourism, education, agriculture, resources and renewable energy.

NAIF has made more than \$1.4bn in investment decisions and conditional approvals for projects across Northern Australia as a whole, supporting projects forecast to create more than 4,000 jobs and more than \$2.9bn in public benefit.

Every NAIF project will support important Indigenous engagement with many projects committing to Indigenous employment or procurement targets.

More information is available at <http://www.naif.gov.au/>.



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