

26 February 2021

Metro Mining - 2020 Financial Result

Metro Mining Ltd (ASX: MMI) announces the Company's full year financial results for the year ended 31 December 2020 ("FY21"). The results reflect the negative impact of COVID-19 on market conditions across the aluminum supply chain during the year. This necessitated the Bauxite Hills mine to transition into an early wet season shutdown (from mid-September) and consequently zero production and sales revenue in the December 2020 quarter.

KEY POINTS

- Sales Revenue of \$128.2Million;
- Bauxite mined and shipped totaled 2.481Million wet metric tonnes
- Cash on hand and other receivables as at 31 December 2020 of \$25.6Million;
- Net loss after tax of \$11.1Million.
- Underlying EBITDA from ordinary activities of \$0.98M.

The Bauxite Hills Mine performed strongly during its operating period (April '20 to September '20). Site production costs were at their lowest levels since mining started in 2018 and were 4% lower than 2019. Production during this period confirmed that existing plant and equipment can operate at a +4Mtpa rate.

Despite these operational achievements, the financial results were negatively affected by COVID-19 which reduced market demand and prices for bauxite globally. This resulted in the Bauxite Hills mine transitioning into its wet season shutdown early and nil revenue during the December quarter. A significant cost cutting program ensued leading to significant savings and enabling the preservation of available cash reserves.

Trading conditions across the aluminum supply chain in China appear to have stabilized and the return to a more normal market has begun however the strengthening AUD will have a negative impact on AUD revenues so some headwinds remain.

Operations at Bauxite Hills are scheduled to recommence in April 2021 and planning has begun for the initial shipments into Metro's foundation contract with Xinfu. Metro have been progressing further sales negotiations for 2021 deliveries (and beyond) along several fronts.

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

"2020 was a very challenging year for Metro and the Bauxite Hills mine. There were several factors outside of our control that resulted in production and sales being less than anticipated and a loss being reported for the full year. This was against the backdrop of record performance from the on-site teams during the operating period in terms of unit costs and daily production and shipping rates.

"The market does appear to be recovering and our marketing efforts continue to be focused on securing additional sales for 2021 and beyond. The team is looking forward to getting back into production in April and realising the full potential of Bauxite Hills mine in 2021".



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This ASX Announcement has been authorised by, Metro Mining Director, Simon Finnis.

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