



Explore | Define | Mine

Delivering turnaround

December 2021



FORWARD LOOKING STATEMENT

Statements and material contained in this Presentation, 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 Presentation (including data used in the graphs) are sourced from third parties and Metro Mining has not independently verified the information. Although reasonable care has been taken to ensure that the facts stated in this Presentation 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 Presentation 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

Any 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

Any information in this report to 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'S STATEMENT

Any 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.

KEY RISK FACTORS

Whilst some changes to operating plans have been outlined in this presentation, Metro directs the reader to the comprehensive description of Key Risk Factors outlined in the in the Equity Raising Presentation of 25 June 2021.

Metro Investment Thesis

High quality operating mine with post COVID recovery underway and pathway to growth

- ✓ 100 Mt reserve, 17-year life bauxite mine. World class Weipa bauxite province. Current capacity ~4 Mt pa
- ✓ Expansion to ~6 Mt/a when additional offtake locked in, projected costs to market lowest in the world
- ✓ Market growth likely as Chinese domestic bauxite production reduces quality / volume.
- ✓ Competitor bauxite environment uncertain: Indonesia exports banned by 2023. Guinea under Military Coup
- ✓ Simple low-cost mining, strip ratio effectively zero, barge / trans-ship to large bulk vessels;
- ✓ Costs and productivity improved under new management
- ✓ Freight costs reduced and de-risked with procurement of new floating crane
- ✓ Capital options for expansion under review: Range A\$20 M to \$57 Million including ship-loading and site upgrade
- ✓ EBITDA margins recovering: @ 4 Mt pa circa. A\$ 25 M for 2022; @ 6 Mt/a rate circa. A\$ 90 M pa*
- ✓ Broker price target 0.07 /shr (A\$ 210 M market cap); Broker NPV \$0.14 /shr (A\$ 420 M market cap)*
- ✓ Deep value proposition given current market cap: approx. A\$ 54 M (@share price \$0.018 /shr)**

* Source: A. Hines, Shaw & Partners Equity Analysis Report 25/11/21

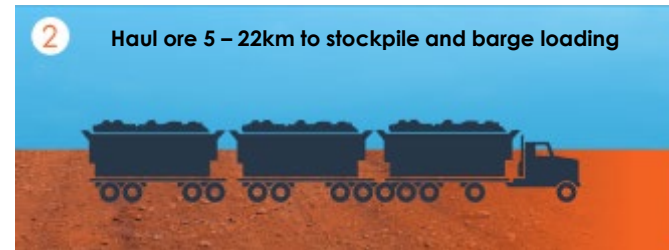
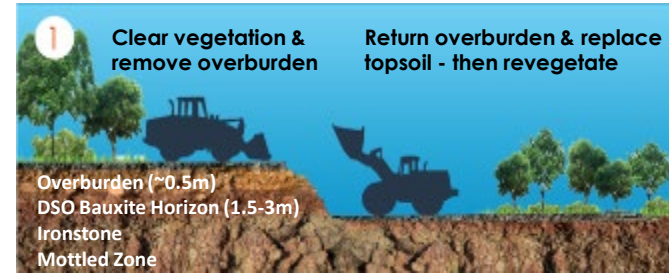
** 06/12/21

Simple High-Quality Bauxite Operation



Metro second significant exporter out of Weipa

- ✓ 1963 COMALCO starts commercial production in Weipa
- ✓ 2008 First long term contracts from Weipa to China
- ✓ **2018 North of Weipa, Metro Mining establishes Bauxite Hills mine as second significant producer**
- ✓ 2020 Total capacity from Cape York now exceeds 40 Mt/a
- ✓ **Metro 100 Mt Reserves plus 30 Mt Resources**
- ✓ Simple low-cost mining production process
 - ✓ Clear top-soil/overburden, mine 1.5-3 m, using FEL, rehab
 - ✓ Road train 160 t haul 5 to 22 km to port site
 - ✓ Load and tow barge down river to ocean mooring
 - ✓ Trans-ship using high-capacity floating crane
- ✓ **Current run rate 3.3 Mt, capacity 4 Mt/a**
- ✓ Low cost Stage 2 expansion option to 6 Mt/a



Implementing Transformation Initiatives

2022 de-risked with multiple pathways to Stage 2 Expansion established

Main Features

- ✓ New management team from July'21, delivering change
- ✓ A\$ 25.5 M capital raise oversubscribed
- ✓ Ongoing success with Shanxi customer trials in 2021 resulting new contracts for 2021 and 2022
- ✓ New floating crane mobilized ahead of schedule in October 2021 and loading Capesize vessels
- ✓ Further productivity initiatives and cost reductions being implemented

Key Implications

- 3.3 Mt shipments for 2021*, 4 Mt target for 2022
- Floating crane immediately provided ~50% relief from historical Ultraclass freight rates
- A\$ 6 M reduction of cost base in the 2nd half of 2021. Further 10% cost reduction planned for 2022
- Implementation of capital raise, floating crane, sales book and cost reductions builds cash for the wet season, transforms liquidity for 2022 and avoids further capital raising*
- Floating Crane is logical progressive step towards stage 2 expansion whilst keeping options open

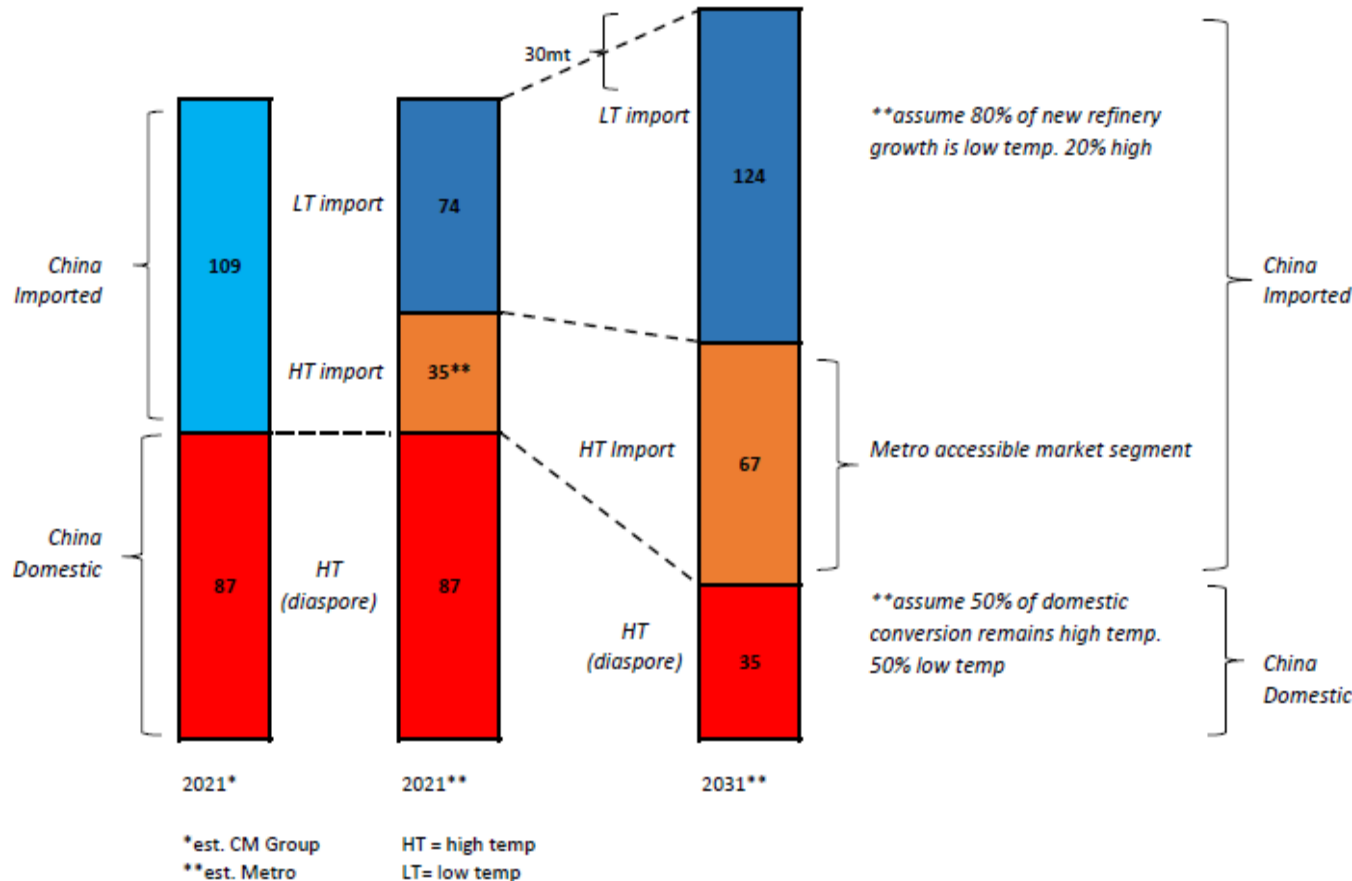
All tonnes are wet metric tonnes unless otherwise stated

*Subject to weather

Metro Contestable Market to Grow by 100%

Probable >30 Mt/a increase in High Temp segment in China

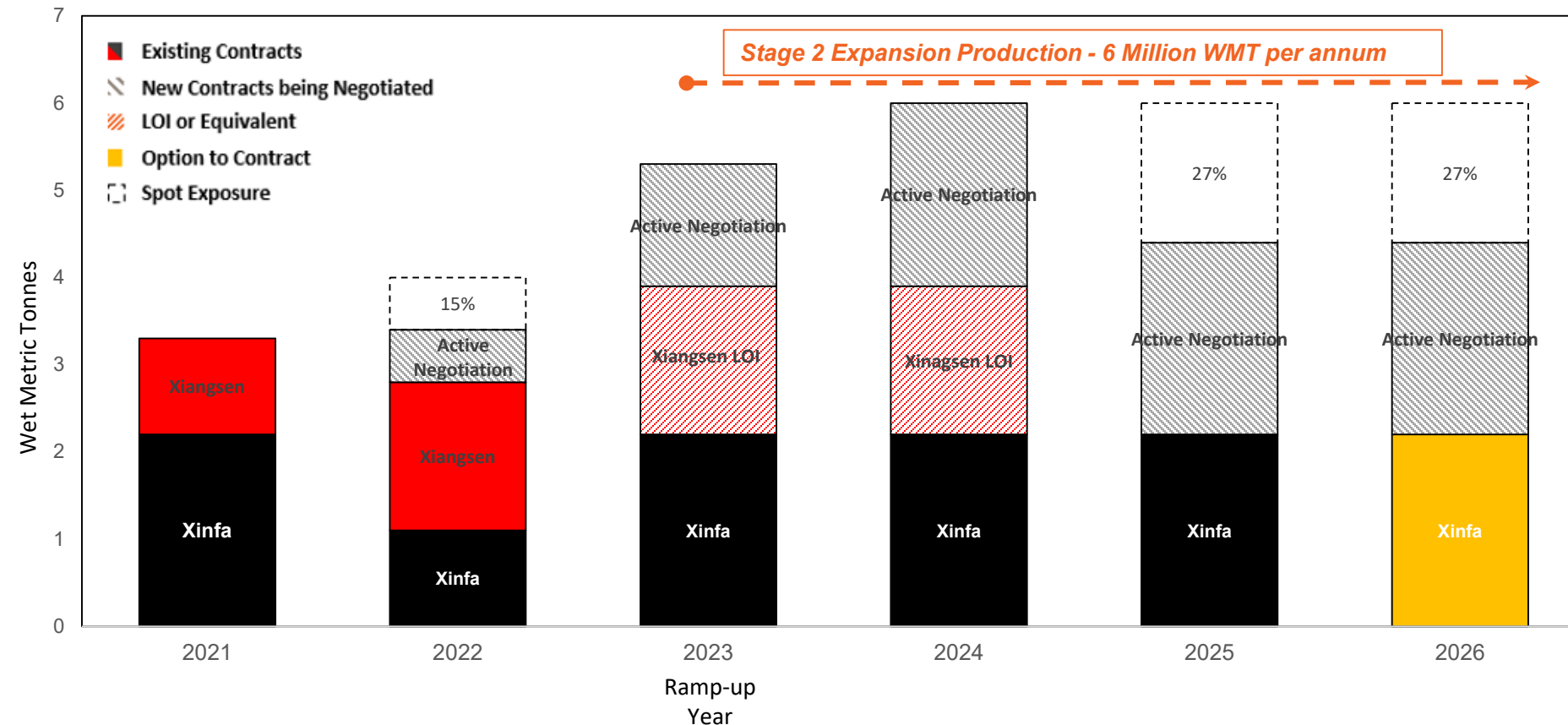
Bauxite Imports into China by Segment (WMT)



- ✓ By 2031 CM Group forecast 30 Mt/a increase in Chinese bauxite market but 80 Mt/a increase in imports as inland refineries switch from domestic bauxite
- ✓ Metro estimate current high temp market is approx. 30 to 35 Mt/a
 - ✓ Metro has ~12% market share
- ✓ Assuming 50% of Chinese refineries switching from domestic bauxite remain high temp. and 20% of new refinery capacity is high temp. Metro contestable market grows to >65 Mt/a
 - ✓ Metro maintain 10% market share for Stage 2 @ 6 Mt/a
- ✓ Assumption rationale backed up by current experience/ conversations with customers
 - ✓ Risk mitigation vs over-reliance on Guinea/Indonesia
 - ✓ Hedge against elevated freight rates like today
 - ✓ Metro as alternative to big players
 - ✓ High available alumina bauxite, like Metro, has advantage of better inland transport economics

Off-take and Forward Sales Book Firming

Xinfa and Xiangsen Aluminium underpin 4 Million WMT capacity

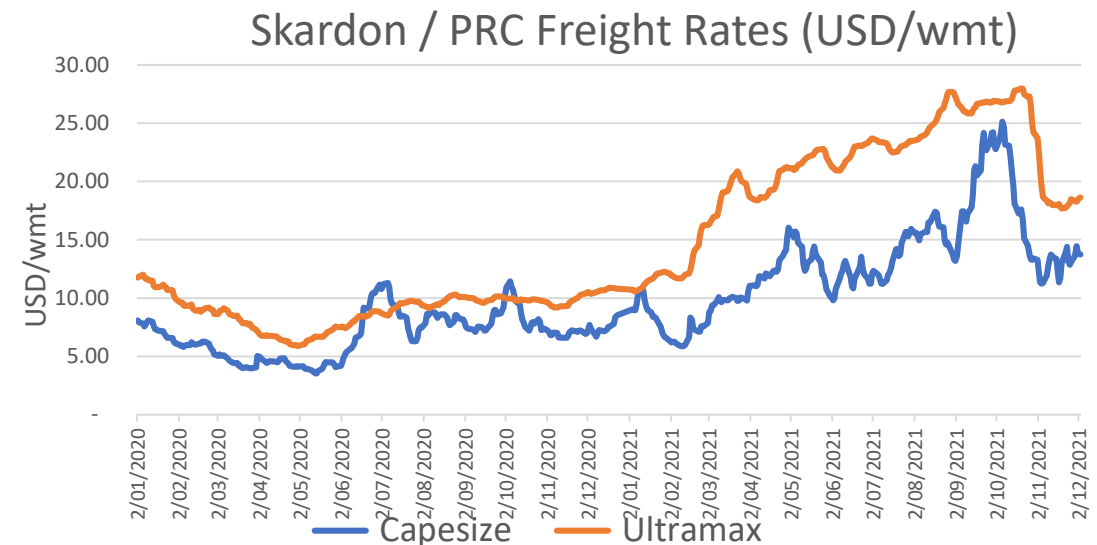


- ✓ Xinfu relationship supportive long term. Transition contract in 2022 before FOB contract commences in 2023
- ✓ Xiangsen Aluminium now established as 2nd base load customer targeting segment switching from domestic bauxite
- ✓ 2022 4 Million WMT Target. 0.7 Million WMT in final stages of negotiation. Indications that 85% under contract by end of December 2021
- ✓ Tactically holding approx. 0.7 Million WMT of spot sale capacity anticipating supply issues from Indonesia/Guinea and further market/price recovery
- ✓ Negotiations with 3rd strategic base load customer ongoing for 2023 contract start

New Floating Crane Barge Commissioned

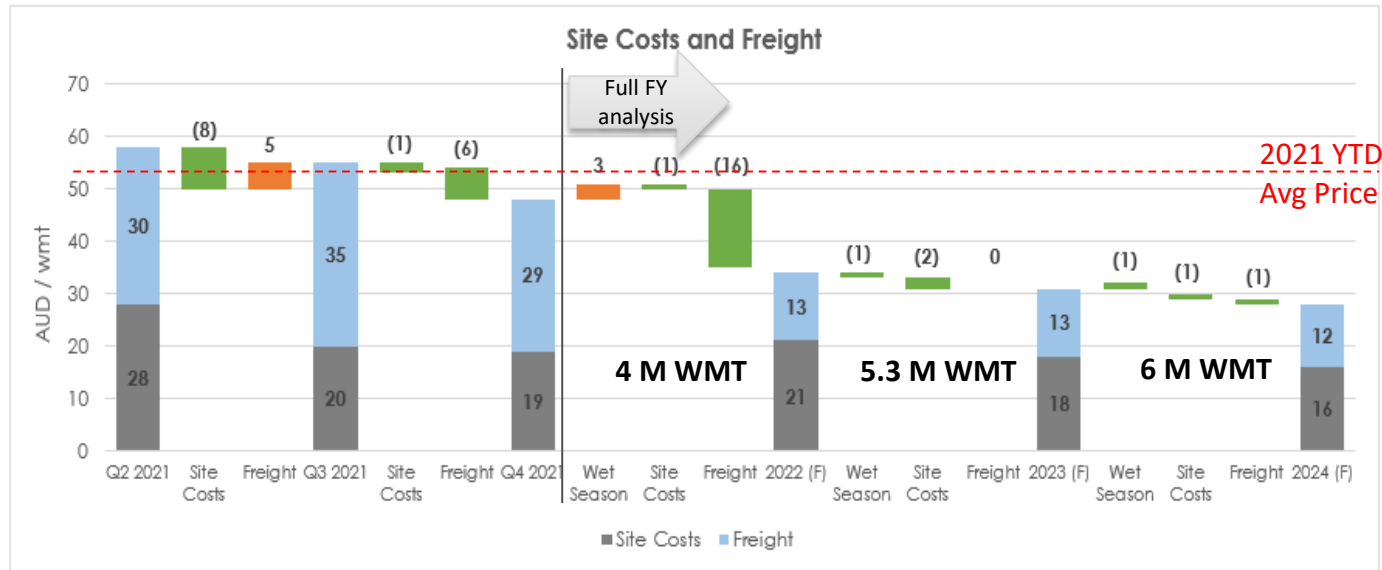
A rapidly executed transformational improvement to Metro's delivered cost base

- ✓ Floating Platform studied as part of Stage 2 Expansion BFS in 2019 (Capex circa \$60 M; debt financed by NAIF loan)
- ✓ New management identified new but smaller Damen (NL) design barge with Liebherr 35t Crane in China
- ✓ Designed to load 180 kt Capesize at 16 to 18.5 kt per day. Annual capacity (Metro operating season) 3.7 to 4.3 Mt/a
- ✓ "Game-changer": Immediate A\$ 13 to 15 /t relief from 2021 geared Ultraclass freight rates & allows Metro to exploit geographical advantage compared to W. Africa
- ✓ Purchase 80% funded by contractor (TSA) with incremental increase to fixed and variable costs of A\$2-3 /t
- ✓ Mobilized, received regulatory clearances and commissioned middle of Oct'21, ahead of schedule and on budget
- ✓ Has demonstrated approx. 90% of capacity while continuing to ramp up through November 2021

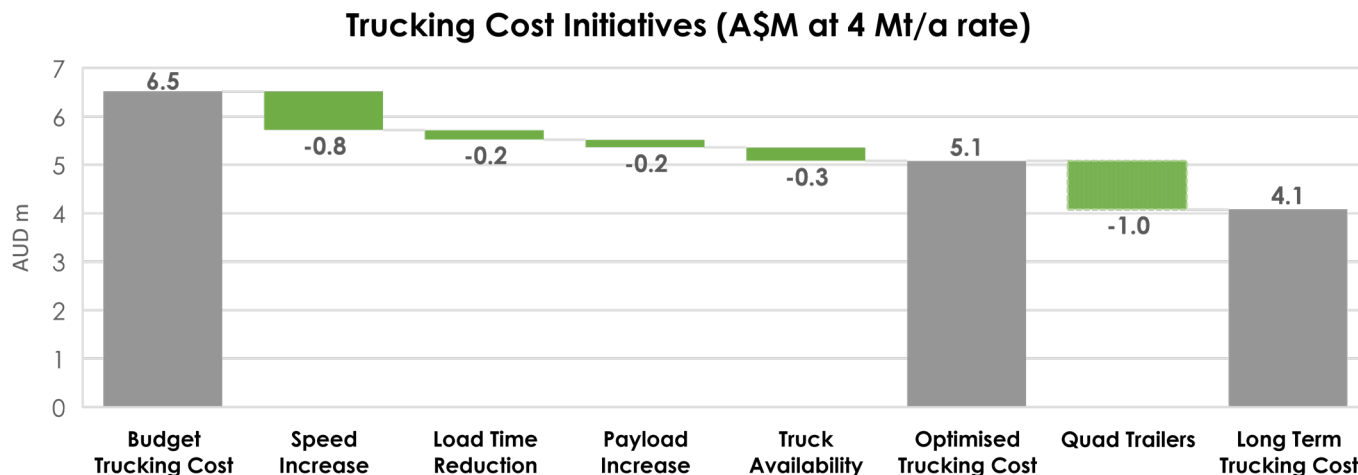


Cost Reduction Initiatives Aid Margin Recovery

Immediate focus and good traction on cost saving initiatives at site and corporate



- ✓ Mine cost and productivity drive starting in July has removed A\$ 6 M of costs in 2H 2021
- ✓ Restructure rosters to 3 MT/a run rate to remove fixed costs
- ✓ Drive individual equipment productivity to achieve volume
- ✓ 22% reduction in trucking cost achieved. Further 20% in 2022
- ✓ 23% improvement in Labour productivity
- ✓ Removal of all discretionary spend- site & corporate
- ✓ 15% reduction staff and workforce by natural attrition
- ✓ Good traction in Q3'21 offsetting freight. Further savings by Q4'21 to offset floating crane mobilization & costs
- ✓ Targeting A\$10 /WMT EBITDA margin for 2022 based on full year costs after royalties and overheads



Floating Crane Pivot Provides Options

Options remain open to achieve Stage 2 Expansion

3 to 4 Mt/a scale



Q3 2021

Self Loading geared
Ultraclass Vessel (60 kt)



Current

1 x Floating Crane
Capesize Vessel (180 kt)

4 to 6+ Mt/a scale



2023

2 x Floating Crane
Capesize Vessel (180 kt)
Capex ~A\$ 20 M

- ✓ Metro has recommenced the refresh of feasibility studies for 6 Mt/a expansion
- ✓ First floating crane has lowered the hurdle to an expansion above 4 Mt/a if a second Floating crane is procured
- ✓ NAIF has extended the sunset clause for infrastructure loan credit approval and draw down until 30 June 2022. Metro will continue to engage on the preferred expansion options

*Includes termination payment for floating crane.



2023

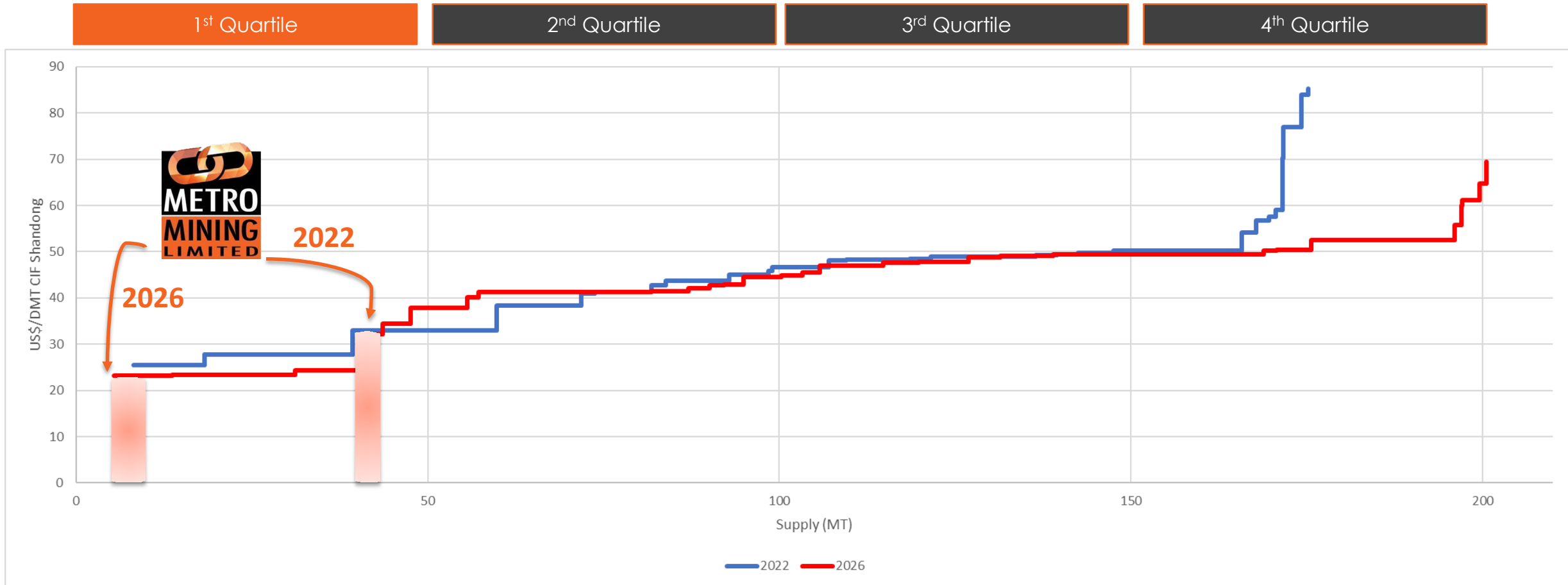
1 x Large Floating Terminal
Capesize Vessel (180 kt)
Capex ~A\$ 57 M*

Lowest Global Delivered Cash Cost Positioning



Metro enters Q1 with Floating Crane then No 1 position with Stage 2 expansion

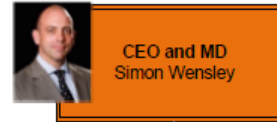
China Seaborne Bauxite Supply Cash Cost Curve 2022 and 2026



New Management delivering Turnaround



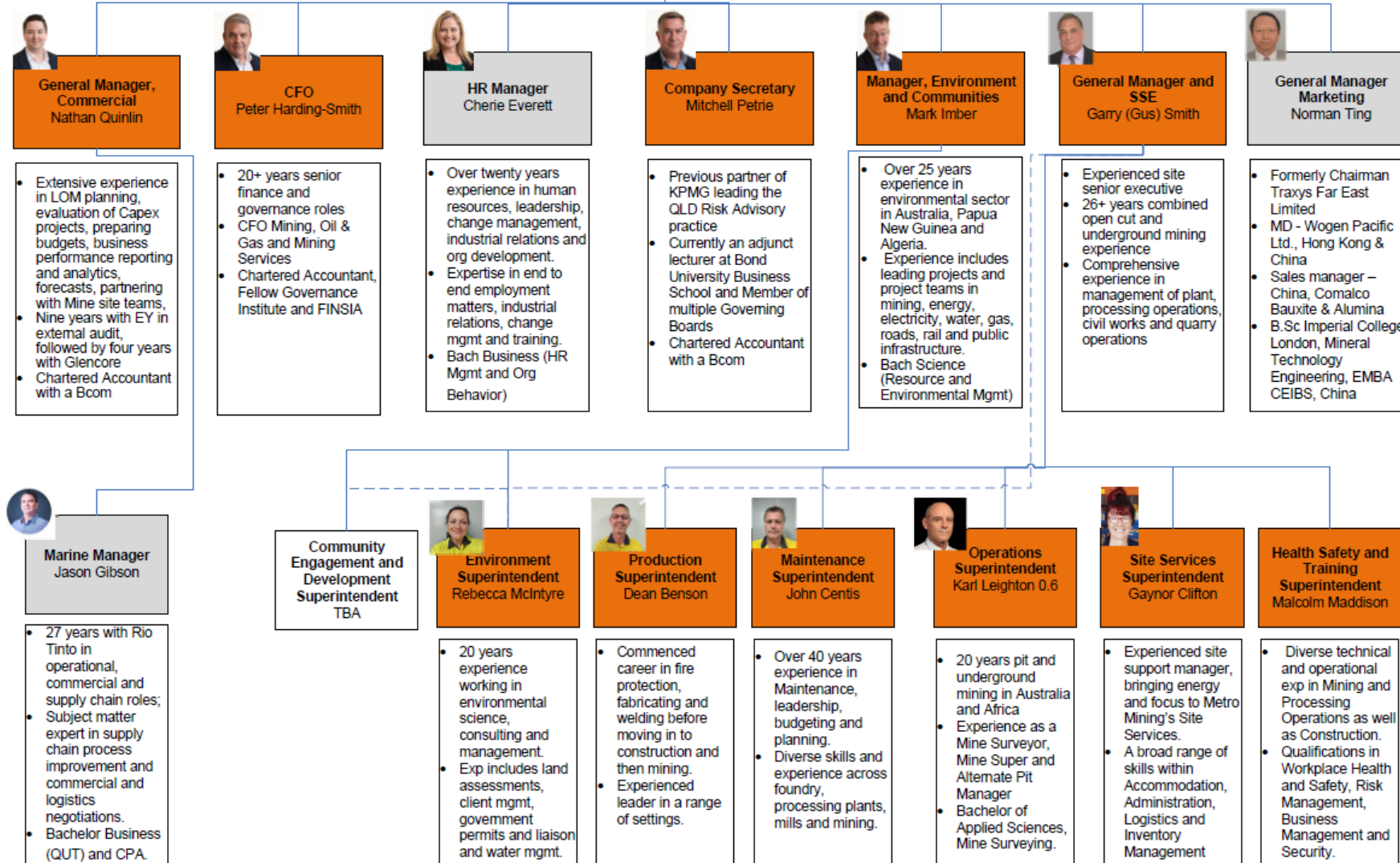
Metro Mining Leadership Team December 2021



KEY

Current Permanent Positions ■

Current Contract Positions ■





Explore | Define | Mine

For Further Information Contact:

Simon Wensley CEO & MD | Mitchell Petrie Co.Sec
Ph: +61 (0) 7 3009 8000 | L2, 247 Adelaide St, Brisbane
Postal Address: GPO Box 10955, Brisbane Q 4000