



Explore | Define | Mine

Delivering turnaround

December 2021



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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.

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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

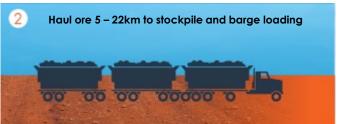
Simple High-Quality Bauxite Operation



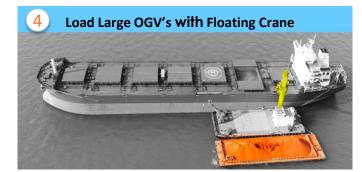
Metro second significant exporter out of Weipa

- √ 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

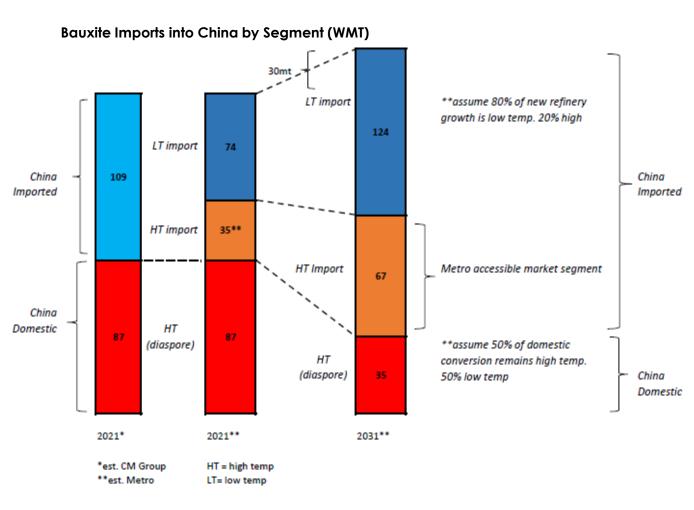
- 3.3 Mt shipments for 2021*, 4 Mt target for 2022
- Floating crane immediately provided ~50% relief from historical Ultraclass freight rates
- A\$ 6 M reduction of cost base in the 2nd half of 2021. Further 10% cost reduction planned for 2022
- Implementation of capital raise, floating crane, sales 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

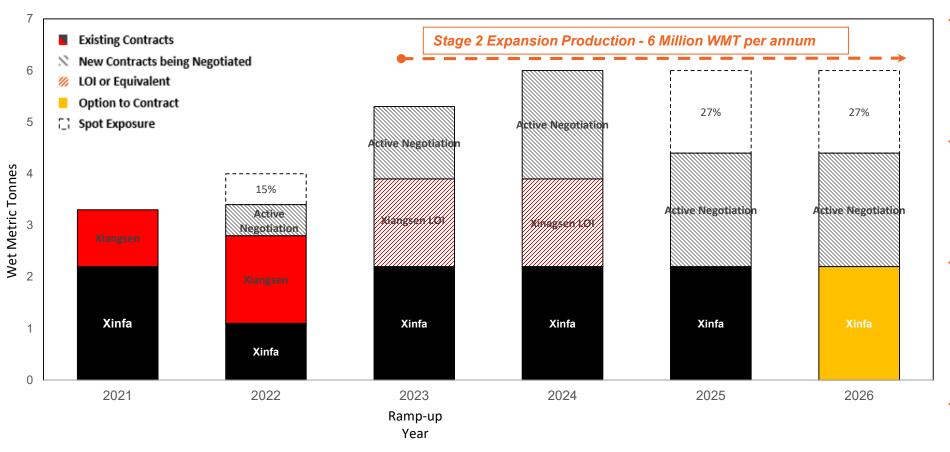


- By 2031 CM Group forecast 30 Mt/a increase in Chinese bauxite market but 80 Mt/a increase in imports as inland refineries switch from domestic bauxite
- Metro estimate current high temp market is approx. 30 to 35 Mt/a
 - Metro has ~12% market share
 - Assuming 50% of Chinese refineries switching from 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



- Xinfa 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

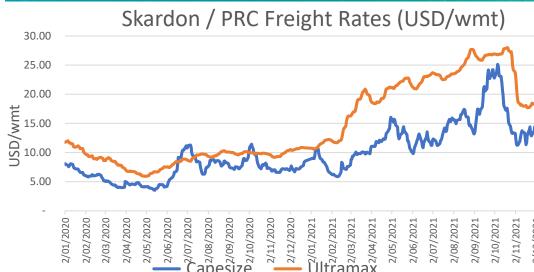
New Floating Crane Barge Commissioned



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





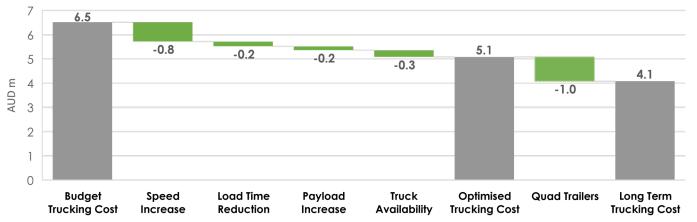
Cost Reduction Initiatives Aid Margin Recovery



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

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Floating Crane Pivot Provides Options



Options remain open to achieve Stage 2 Expansion

3 to 4 Mt/a scale





4 to 6+ Mt/a scale



2023
2 x Floating Crane
Capesize Vessel (180 kt)
Capex ~A\$ 20 M

Q3 2021

Self Loading geared Ultraclass Vessel (60 kt)

Current

1 x Floating Crane Capesize Vessel (180 kt)

- 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



2023
1 x Large Floating Terminal
Capesize Vessel (180 kt)
Capex ~A\$ 57 M*

*Includes termination payment for floating crane.

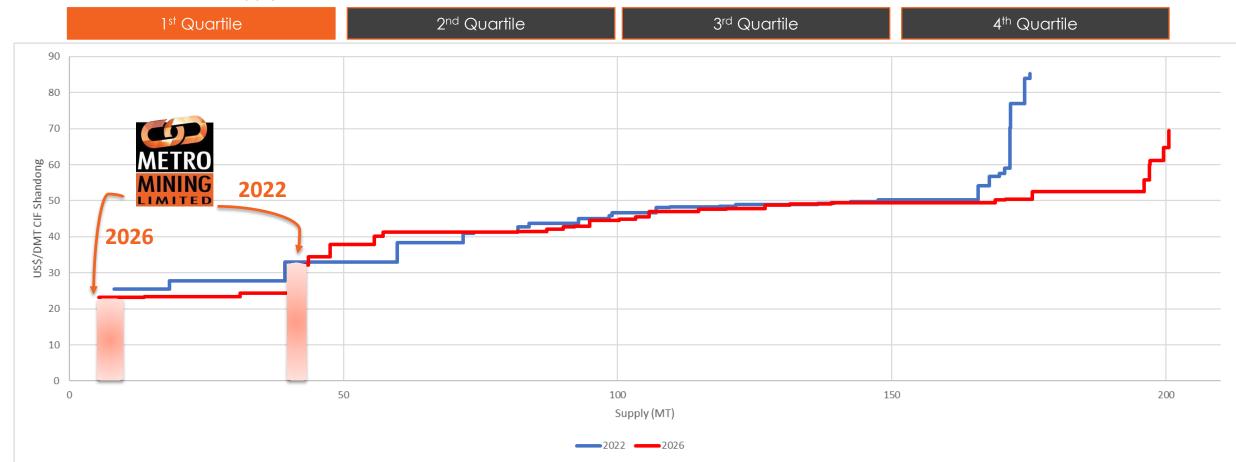
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Lowest Global Delivered Cash Cost Positioning



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

Services

Chartered Accountant,

Fellow Governance

Institute and FINSIA



Current Permanent Positions Current Contract Positions



Extensive experience in LOM planning, evaluation of Capex projects, preparing budgets, business performance reporting and analytics, forecasts, partnering with Mine site teams Nine years with EY in external audit. followed by four years with Glencore Chartered Accountant with a Bcom



Peter Harding-Smith

Over twenty years 20+ years senior experience in human finance and resources, leadership governance roles change management CFO Mining, Oil & industrial relations and Gas and Mining org development.

Expertise in end to end employment matters, industrial relations, change

HR Manager

Cherie Everett

mamt and training. Bach Business (HR Mamt and Org

Behavior)

Company Secretary Mitchell Petrie

- Previous partner of KPMG leading the QLD Risk Advisory
- Currently an adjunct lecturer at Bond University Business School and Member of multiple Governing Boards
- Chartered Accountant with a Bcom

Manager, Environment and Communities Mark Imber

- Over 25 years experience in environmental sector in Australia, Papua New Guinea and Algeria.
- Experience includes leading projects and project teams in mining, energy, electricity, water, gas, roads, rail and public infrastructure.

Bach Science (Resource and Environmental Mamt) General Manager and

Experienced site

senior executive

open cut and

experience

operations

Comprehensive

management of plant.

processing operations

civil works and quarry

experience in

- Marketing Garry (Gus) Smith Norman Ting
- 26+ years combined Limited MD - Wogen Pacific underground mining Ltd., Hong Kong & China
 - Sales manager -China. Comalco

General Manager

Formerly Chairman

Traxvs Far East

Bauxite & Alumina B.Sc Imperial College London, Mineral Technology Engineering, EMBA CEIBS, China



Marine Manager Jason Gibson

27 years with Rio Tinto in operational. commercial and supply chain roles; Subject matter expert in supply chain process improvement and commercial and

logistics negotiations. **Bachelor Business** (QUT) and CPA.

Community Engagement and Development Superintendent

Environment Superintendent Rebecca McIntvre

> 20 years experience working in environmental science. consulting and

management. Exp includes land assessments. client mamt. government permits and liaison and water mgmt.

Production Superintendent Dean Benson

Commenced career in fire protection. fabricating and welding before moving in to construction and then mining. Experienced leader in a range

of settings.

Maintenance Superintendent John Centis

Over 40 years experience in Maintenance. leadership. budgeting and planning. Diverse skills and experience across foundry. processing plants,

mills and mining.

Operations Superintendent Karl Leighton 0.6

- 20 years pit and underground mining in Australia and Africa Experience as a Mine Surveyor,
- Mine Super and Alternate Pit Manager Bachelor of Applied Sciences, Mine Surveying.

Site Services Superintendent Gavnor Clifton

- Experienced site support manager. bringing energy and focus to Metro Mining's Site Services. A broad range of skills within
- Accommodation. Administration. Logistics and Inventory Management

Health Safety and Training Superintendent Malcolm Maddison

Diverse technical

and operational exp in Mining and Processing Operations as well as Construction. Qualifications in Workplace Health and Safety, Risk Management. Business Management and

Security.





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