

Grant of ASX Waiver – Listing Rule 10.11.3

Metro Mining Limited (ASX: MMI) (**MMI** or the **Company**) refers to its ASX announcement dated 17 April 2020 in respect to the grant of a waiver from ASX Listing Rule 10.11.3 to permit the Company to issue shares without shareholder approval to Greenstone management (**Greenstone Delaware**) II LLC in its capacity as general partner of Greenstone Resources II (Australia) Holdings L.P. (**Greenstone**) so that Greenstone can maintain its percentage interest in the issued share capital of the Company up to a maximum of 19.98% (**Waiver**). The Waiver was granted for an initial term of 3 years (from 14 April 2020) and the Company applied for an extension to the Waiver.

The Company advises that the ASX has granted an extension to the Waiver for an additional term of three years (from 15 April 2023). Details of the terms of the ASX Listing Rule 10.11.3 waiver granted to the Company are as follows:

Waiver Decision

1. Subject to resolution 2, and based solely on the information provided, ASX Limited (**ASX**) grant MMI a waiver from Listing Rule 10.11.3 to the extent necessary to permit the company to issue shares without shareholder approval to Greenstone so that Greenstone can maintain, pursuant to the strategic alliance (encompassing a subscription and co-op deed and technical and financial assistance between the Company and Greenstone), by way of a right to participate in any issue of securities or to subscribe for securities, its percentage interest in the issued share capital of the Company up to a maximum of 19.10% (the **Anti-Dilution Right**).
2. This waiver is granted on the following conditions:
 - 2.1 The Listing Rule 6.18 waiver granted by ASX on 19 July 2016 with respect to the Anti-Dilution Right is complied with in all respects.
 - 2.2 This waiver is granted for a term of three years from 15 April 2023.
 - 2.3 Any securities used under the Anti-Dilution Right are offered to Greenstone for cash consideration that is:
 - 2.3.1 no more favourable than cash consideration offered by third parties, in the case of issues of securities to arm's length parties for cash consideration; or
 - 2.3.2 equivalent in value to non-cash consideration offered by arm's length third parties, in the case of issues of securities to third parties for non-cash consideration.
 - 2.4 The Company immediately releases the terms of the waiver to the market.
3. ASX has considered Listing Rule 10.11.3 only and makes no statement as to the Company's compliance with other Listing Rules.

Basis for Waiver Decision

Listing Rule 10.11.3

4. Listed entities are required to obtain the prior approval of security holders for an issue of equity securities to persons in a position of influence. This rule is directed at preventing those parties from obtaining securities on advantageous terms and increasing their holding proportionate to the holdings of other security holders, without the prior consent of ordinary security holdings. The rule protects ordinary security holders' interests

by supplementing the related party provisions of the *Corporations Act 2001* (Cth) (and any related party provisions applying to foreign entities under relevant legislation). A number of exceptions from the requirement for prior security holder approval are permitted under Listing Rule 10.12, including where securities issued under a pro rata entitlement offer.

Facts and Reasons for Granting the Waiver

5. In July 2016, the Company as granted a waiver of Listing Rule 6.18 to allow operation of the Anti-Dilution Right, subject to conditions. Listing Rule 10.11.3 and Guidance Note 25 were introduced on 1 December 2019. Due to the application of Listing Rule 10.11.3 to Greenstone, any further issue of securities to Greenstone would require specific shareholder approval without a waiver of that rule, despite the waiver of Listing Rule 6.18. Guidance Note 25 contemplates the entities which have obtained the benefit of a Listing Rule waiver prior to 1 December 2019 can apply to ASX for a concurrent Listing Rule 10.11.3 waiver. ASX must be satisfied that the basis for the Listing Rule 6.18 waiver remains true, in that there is a continuing and genuine strategic relationship between the listed entity and the security holder, that the security holder and its related bodies corporate have maintained their holding in the entity at the agreed percentage throughout the life of their anti-dilution right and that the terms of the anti-dilution right continue to be appropriate and equitable. The initial waiver was granted for an initial term of three years on 15 April 2020 in respect of Greenstone's top up right. This waiver is effectively an extension of the 15 April 2020 waiver and is valid for a further three years to enable Greenstone to utilize its top up right to maintain a 19.1% holding in the Company.

Conditions of Waiver

The waiver is subject to certain conditions. Under Listing Rule 18.1, these conditions must be complied with for the waiver to be effective.

ASX's Power to Vary or Revoke Waiver

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke the waiver at any time.

ENDS



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This ASX Announcement has been authorised by the Managing Director & CEO, Simon Wensley.