

30 May 2023

## **Metro Mining Limited** **Chairman's 2023 Annual General Meeting Address**

Good morning everyone and welcome to Metro Mining's 2023 Annual General Meeting.

I would like to acknowledge the traditional owners of the land on which we meet, the Turrbal and Yuggera people and also the Angkamuthi people upon whose lands we operate the Bauxite Hills mine.

2022 again proved a challenging year for Metro. Whilst we were able to achieve improvements in our production and sales revenue over 2021, inflation driven cost pressures, challenges with our logistics supply chain and abnormal weather events during the production season resulted in a disappointing financial outcome for the company for the year.

Despite this, there is still a great deal of positive news about Metro from 2022 to highlight today and even more can be found in our Annual Report, which is available on our website and in hard copy here also at the meeting. In particular, the board believes that the decision taken to expand Bauxite Hills will give the company far greater resilience and economies of scale, qualities which the company has lacked to date.

I would like to acknowledge the skills and expertise of both the board and management team. It has been a focus over the past 18 months within Metro to build a dynamic, agile, and high-performing team that is able to execute the company's operations and expansion strategy. Metro's vision as the premier independent bauxite supplier, will be realised through the economies of scale achieved with an expansion of our operations to 7 million wet metric tons (WMT) per annum. I am confident we now have the right team in place, that is committed to delivering this by 2024.

Our workforce and key site contract partners, Transshipping Services Australia, Blake Machinery Group, Australian Plant and Conveyor Solutions and CaterCare, also need to be recognised for their efforts to work safely and productively throughout a difficult year.

With regard to the expansion project, in June 2022 the Board approved the Definitive Feasibility Study for the expansion of Bauxite Hills Mine, subject to financing. A successful capital raise approved by shareholders in September 2022 and the procurement of a US\$30M debt facility in March this year has provided the funding required to progress and complete the project and position Metro to become the world's lowest cost global quality export supplier into China.

Simon's presentation will go into more detail about the status of the expansion project and the recently acquired offshore floating terminal. What I will say though before moving on is that Metro is well-positioned to capitalise on Indonesia's exit from the Chinese import market and the strong prevailing bauxite market conditions.

In looking back at 2022, it is pleasing to report that despite the operational challenges we were faced with, Metro's commitment and support for our employees, stakeholders and the local communities remained a top priority.

Throughout the year we:

- contributed approximately \$30 million to the North Queensland and Cape York economy
- spent nearly \$500,000 with Indigenous businesses
- paid \$2.7 million in benefits to Indigenous land owners and Native Title parties

- employed a workforce where 80% of our employees are based in North Queensland and Cape York and 34% identifies as either Aboriginal or Torres Strait Islander.

We work with local Indigenous communities, business groups, councils, charitable organisations and local service providers to share the social and economic outcomes of mining. One example of the way in which we support these businesses is by giving preference to local contractors where they are able to meet the tender requirements and are competitive with other suppliers. We also provide support and assistance to local businesses to help them understand our procurement processes so they have a better prospect of being successful in their submissions.

Whilst the world is learning to live with COVID-19 now, our remote location and the communities where the majority of our workforce come from means that COVID-19 continued and continues to present significant operational challenges. Our controls to prevent and mitigate site-based transmission of the virus included implementing a vaccine mandate, operating vaccination clinics on-site, pre-deployment screening and on-site testing, supporting quarantine and de-mobilisation processes for affected personnel, contact tracing and the provision of Personal Protective Equipment and Rapid Antigen Test kits.

Long-term sustainability is another key area of focus for Metro. We recognise that mining as an industry, and bauxite more specifically, will play a significant role in the decarbonisation movement. We also want to ensure that as a company we are responsible stewards of the environment and taking action to reduce our carbon footprint where possible. Our Annual Report includes details of a number of sustainability projects currently in progress which I encourage you to read. One point to note, however, is that in late 2022 Metro established an ESG Committee to provide guidance and oversight on the implementation of our ESG Framework. Environment, social and governance issues are an area of significant importance to us as well as to stakeholders, including investors, customers and employees. The establishment of a Board sub-committee will ensure we establish an integrated approach to ESG to enhance our operations and generate long-term value for shareholders.

From a commercial perspective, Metro secured binding offtake contracts from our two base load customers, Xinfu and Xiangsens Aluminium for 2023 totaling 5 million WMT. With the expansion we have in place 6 WMT of offtake for 2024 with contracts extending until 2026. A non-binding MOU has also been signed with a third base load customer, Chifeng Qihui Aluminium Development Limited, for offtake commencing in 2024 and ramping up in 2025 to 2 Mt per annum.

We will also continue to look for new bauxite and other opportunities both within Australia and overseas to grow the business, especially now we can look forward to the impending arrival of the new offshore floating terminal, Ikamba, before the end of the year.

Finally, on behalf of the Board I would like to acknowledge and thank Simon and the senior management team for their tireless efforts. I also thank our shareholders for your continued support of the Company.

ENDS

**For more information contact:**

CEO & Managing Director  
Simon Wensley  
[info@metromining.com.au](mailto:info@metromining.com.au)  
+61 7 3009 8000

Investor Relations  
Peter Taylor  
[Peter@nwrcommunications.com.au](mailto:Peter@nwrcommunications.com.au)  
+61 (0)412 036231



**ASX: MMI | ACN 117 763 443**

**Further Info:** P: +61 (0) 7 3009 8000 | E: [info@metromining.com.au](mailto:info@metromining.com.au) | W: [www.metromining.com.au](http://www.metromining.com.au)

**Contact:** Simon Wensley, **Managing Director & CEO** | Robin Bates, **Company Secretary**

**Address:** Level 2, 247 Adelaide St, Brisbane | GPO Box 10955, Brisbane Q 4000

This ASX Announcement has been authorised by the Board of Directors of Metro Mining Ltd.

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