



# Half Year Results Webinar



September 2023



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The purpose of this presentation is to provide general information about Metro Mining Limited (Metro or the Company) and its subsidiaries and business.

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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 that relates to the Metro Mining Bauxite Hills Reserves is based on information compiled by MEC Mining and reviewed by Grant Malcolm, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Grant Malcolm is a full-time employee of MEC Mining Pty Ltd. Grant Malcolm 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Grant Malcolm consents to the inclusion in the report of the matter 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**

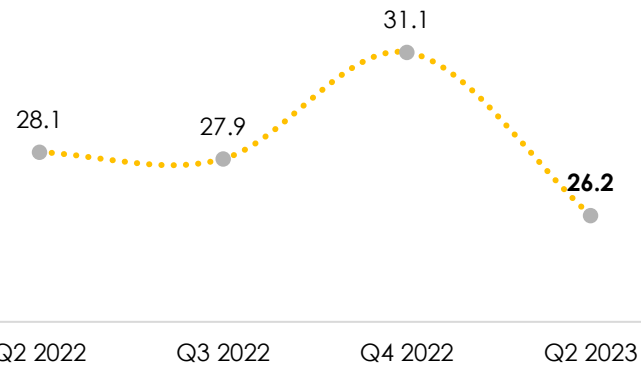
Whilst some changes to operating plans have been outlined in this presentation, Metro directs the reader to the comprehensive description of Key Risk Factors outlined in the in the Notes to the financial statements for CY 2022 published 28 February 2023.

# H1'23 Results Indicate Turnaround complete

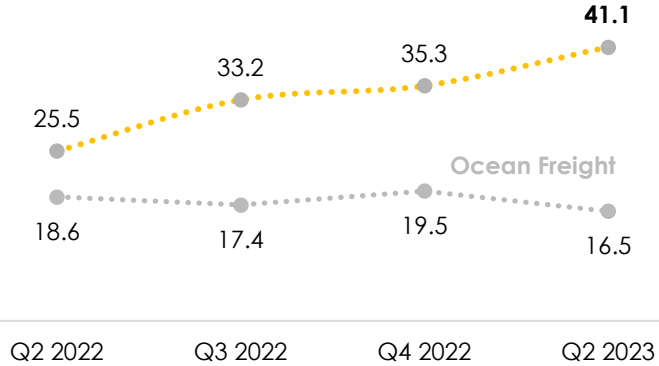
A\$'000	1H 2023	1H 2022	%
Revenue	62,376	63,409	-2%
Cost of sales	(65,107)	(84,112)	-23%
<b>Gross loss</b>	<b>(2,731)</b>	<b>(20,703)</b>	<b>-87%</b>
Other corporate costs	(5,128)	(4,485)	14%
<b>Operating loss before interest</b>	<b>(7,859)</b>	<b>(25,188)</b>	<b>-69%</b>
Finance income	45	23	96%
Finance expenses	(8,903)	(4,227)	111%
<b>Loss before income tax</b>	<b>(16,717)</b>	<b>(29,392)</b>	<b>-43%</b>

- \$12.7m turnaround in net year-on-year results
- At current production rates, unit costs and bauxite prices MMI is expecting to return to profitability in H2 2023

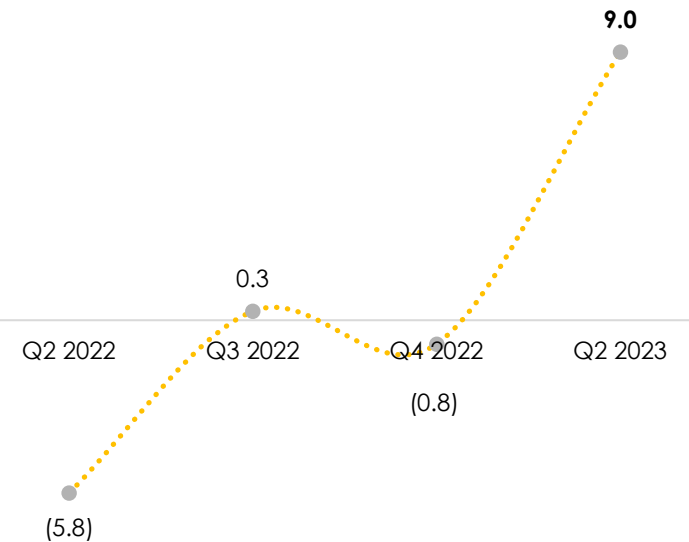
Site Costs (\$/t)



FOB Revenue (\$/t)

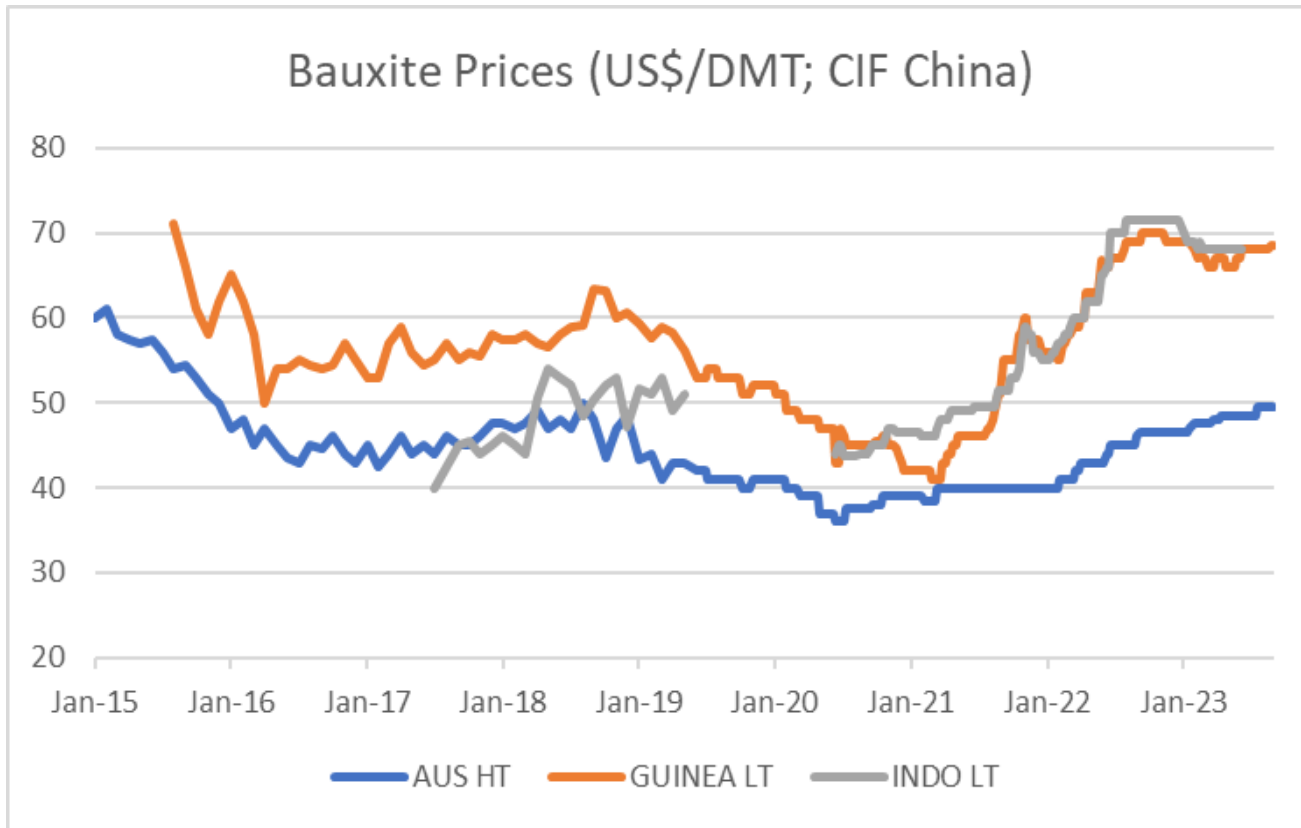


Site Margin (\$/t)



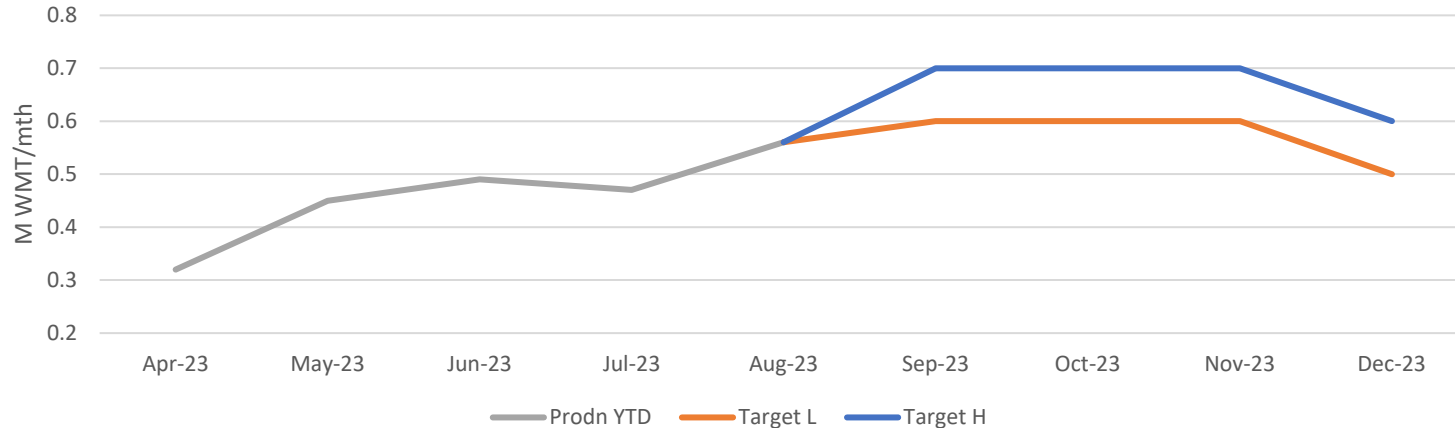
# Australian Bauxite Price rising through H1 '23

Traded bauxite market conditions still firm with H1 bauxite imports at record



- ✓ **Although Chinese economy not recovering as fast as expected, demand for aluminium is strong for renewables, batteries and EVS**
- ✓ **Chinese H1 '23 bauxite imports up 10.6% y-o-y**
  - ✓ New alumina refineries commissioned but domestic bauxite supply limited
  - ✓ Alumina prices rising again
- ✓ **Bauxite market prices still firm**
  - ✓ Australia prices rising as contracts roll over
  - ✓ Guinea spot pricing still steady
  - ✓ Indonesia's bauxite export ban in place
  - ✓ Domestic bauxite prices up 15% through H1 '23
- ✓ **Australian price upside as big value-in-use gap with Guinea**

# H1 '23, subsequent shipments on track for 4.5 to 5 Mt for 2023



- ✓ Production equipment in place
- ✓ Haulage equipment delayed but now in place
- ✓ Existing screens performing above expectation
- ✓ BLF demonstrating upgrade capacity
- ✓ Transhipping ramping up towards 6 Mt/a rate with geared ships supplementing TSA Skardon until the end of production season
- ✓ Remaining elements of expansion project on track to be fully implemented by Q2, 2024

**Table 1**

BMH Flow Sheet Capacity (mt/a)	Q4 '22	Q2 '23	Q3 '23	Q4 '23	Q2 '24
Mining Equipment	7	7	7	7	7
Prime Movers	4	5	7	7	7
Trailers	4	5	6	7	7
Screens	4	5	5	5	7
Barge Loading Facility	4	7	7	7	7
Tugs / Barges	4	4	5	6	7
Transhipping	4	4	6*	6*	7

\* Additional geared ships can be loaded in parallel with FCB1

Sources: Company Analysis

# Exciting time to invest in Metro

## Existing operations de-risked, market strong, expansion locked in

### ✓ We have the Resource and Operating Mine

High-grade 15+ year reserve from the renowned Weipa bauxite province. Mine operating for 5 years.<sup>1</sup>

### ✓ We have the market and the customers

Record bauxite trade in 2022 and forecast to grow strongly @ 8% pa. Two large baseload customers underpin off-take until 2026.

### ✓ We have the low-cost, low-risk business model

Simple low strip mine & flow-sheet, transshipping to Capesize vessels to market. At 7 Mt pa scale, costs will be at the bottom of the cost curve.

1. [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02664971-2A1448879?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02664971-2A1448879?access_token=83ff96335c2d45a094df02a206a39ff4)

### ✓ We have the People

Dedicated local workforce including more than 30% indigenous participation. Experienced & capable top-tier board and management.

### ✓ We have the transformational expansion strategy

Low-cost A\$ 32 M brownfield expansion to 7 Mt pa underway.<sup>2</sup> Economies of scale utilize latent capacity to deliver 80% IRR.

### ✓ We have the funding locked in

US\$30 M two-tranche debt facility from Nebari Partners LLP.<sup>3</sup>

2. [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02666969-2A1449851?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02666969-2A1449851?access_token=83ff96335c2d45a094df02a206a39ff4)

3. [https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02672504-2A1452808?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02672504-2A1452808?access_token=83ff96335c2d45a094df02a206a39ff4)



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