



ACN 117 763 443

## **ASX ANNOUNCEMENT**

**10 November 2014**

### **METROCOAL OFFER FOR CAPE ALUMINA SUCCEEDS**

MetroCoal Limited (MetroCoal or the Company) is pleased to announce that China Xinha Group Corporation Limited (Xinha) have accepted MetroCoal's offer for their 12.1% shareholding in Cape Alumina Limited (Cape). This brings the total acceptances of the MetroCoal offer to over 90%.

MetroCoal will now proceed to compulsorily acquire the remaining shares in Cape to complete the takeover. This will result in Cape becoming a wholly owned subsidiary of MetroCoal.

This outcome is in the best interests of all shareholders as it now allows the Company to focus its resources on the development of the Bauxite Hills Project and realise the benefits and savings available to the merged entity, as outlined in the Bidder's Statement.

Xinha is China's largest independent aluminium company with interests in power generation, alumina refining, and aluminium smelting and processing. MetroCoal Chairman, Mr Stephen Everett, says the Company is particularly pleased with Xinha's decision to accept the offer as we believe it demonstrates their intent to work with MetroCoal toward the successful development of the Bauxite Hills Project.

The market outlook for Bauxite remains positive, reflecting strong demand in the sector and the supply constraints resulting from Indonesia's ban on exports, introduced in January this year. Indonesia exported 40 million tonnes to China before the ban and Bauxite Hills is well positioned to take advantage of this market.

#### **For further information please contact:**

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