



MetroCoal Limited (ASX:MTE) and Developing a Multi Commodity Company

Presentation to Annual General Meeting 25 November 2014



METROCOAL AT YEAR END 2014



MetroCoal Holds >90% of Cape Alumina – Commenced Process to Acquire 100%.

- ❑ MetroCoal had identified opportunities in the bauxite market – and continue to see a positive outlook
- ❑ Cape Alumina has extensive bauxite tenements in Cape York
- ❑ Previous Cape focus was on large scale, long time-frame development with high capex
- ❑ New approach is small scale (approximately 2Mtpa), short time-frame with low capex

Strategy to Deliver Value

- ❑ Funds available for Bauxite Hills approvals process
- ❑ Coal assets with over 4 billion tonnes to be preserved until the thermal coal market improves



CAPE ALUMINA – HIGH QUALITY BAUXITE DEVELOPMENT



RIGHT COMMODITY

- There is increasing demand for bauxite in the growing Chinese market
- Demand is expected to outstrip supply due to the Indonesian ban on bauxite export
- Cost-effective access to large, high quality, economic bauxite resources is becoming increasingly difficult for the world's bauxite producers
- Cape Alumina has defined a DSO (Direct Shipping Ore) resource at its Bauxite Hills project, which will reduce the need to beneficiate the bauxite and significantly reduce the capital and operating costs

RIGHT LOCATION

- Western Cape York has high-quality, export-grade bauxite with a high alumina content when compared to some other Australian bauxite provinces
- Weipa bauxite quality and characteristics are well known to many international alumina refineries
- Located close to international shipping routes with low freight costs to China

ATTRACTIVE PROJECTS

- The Bauxite Hills project is in close proximity to the Skardon River and the transshipment point, which minimises operating and capital costs
- Shallow, free-digging bauxite with minimal overburden thickness and very low strip ratios
- Cape Alumina's major shareholder has sufficient cash to advance the Bauxite Hills project approvals

BAUXITE IS THE PRIMARY ORE OF ALUMINIUM

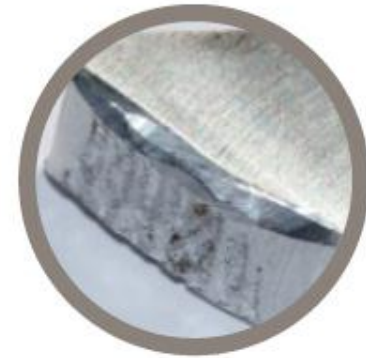
**4-6 tonne
of bauxite**



**2 tonne
of alumina**



**1 tonne of
aluminium**



Aluminium is a robust light-weight metal that is used in a variety of consumer products and construction

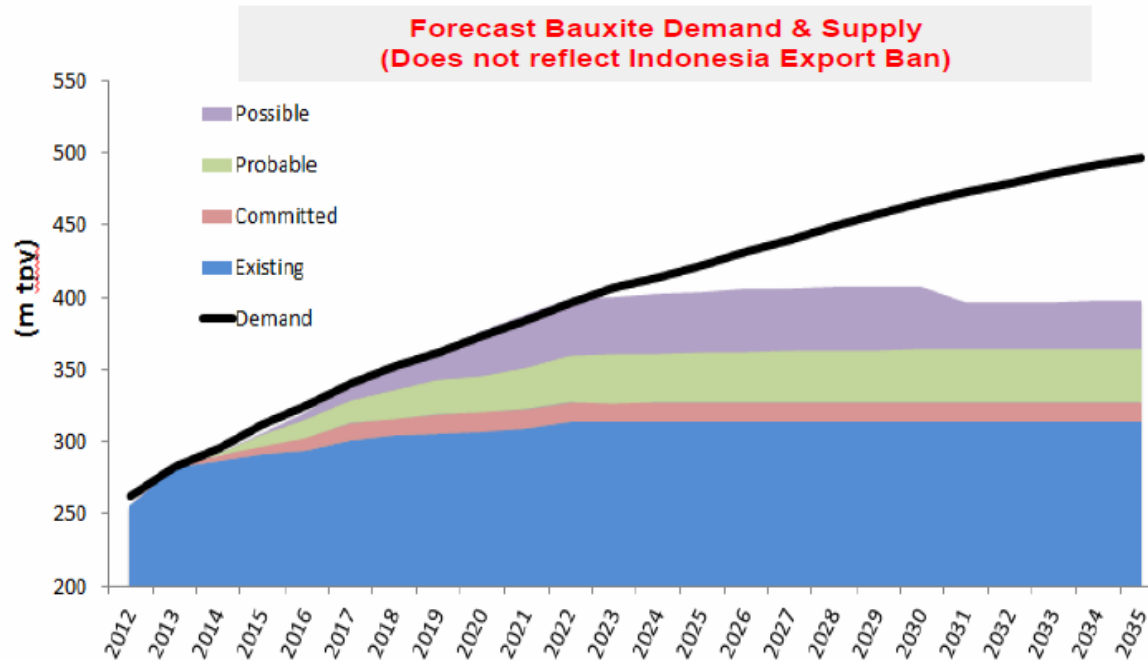


WORLD BAUXITE SUPPLY & DEMAND

KNOWN AND UNKNOWN MINES NEEDED TO BRIDGE GAP



Potential supply shortfall emerging from 2015



- Bauxite is globally plentiful, but of differing quality and development and financing is becoming slower/harder with issues of:
 - Government approvals
 - Environmental and landowner issues
 - Capital costs and available infrastructure
 - Nationalistic policies & taxes

Source: Bauxite demand and supply, 2012 to 2035, CRU's Bauxite Long Term Market Outlook, 2013 edition

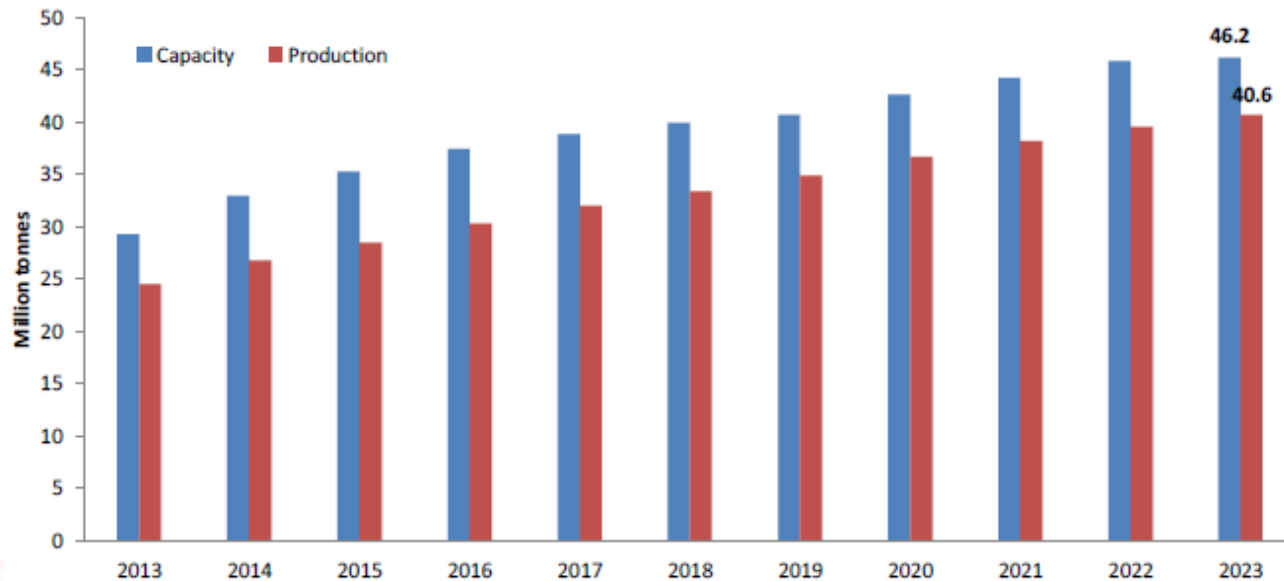
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Source: Alumina Limited report to ASX on 20 May 2014

CHINESE ALUMINIUM PRODUCTION

Primary aluminium capacity and production in China will increase steadily over the next ten years

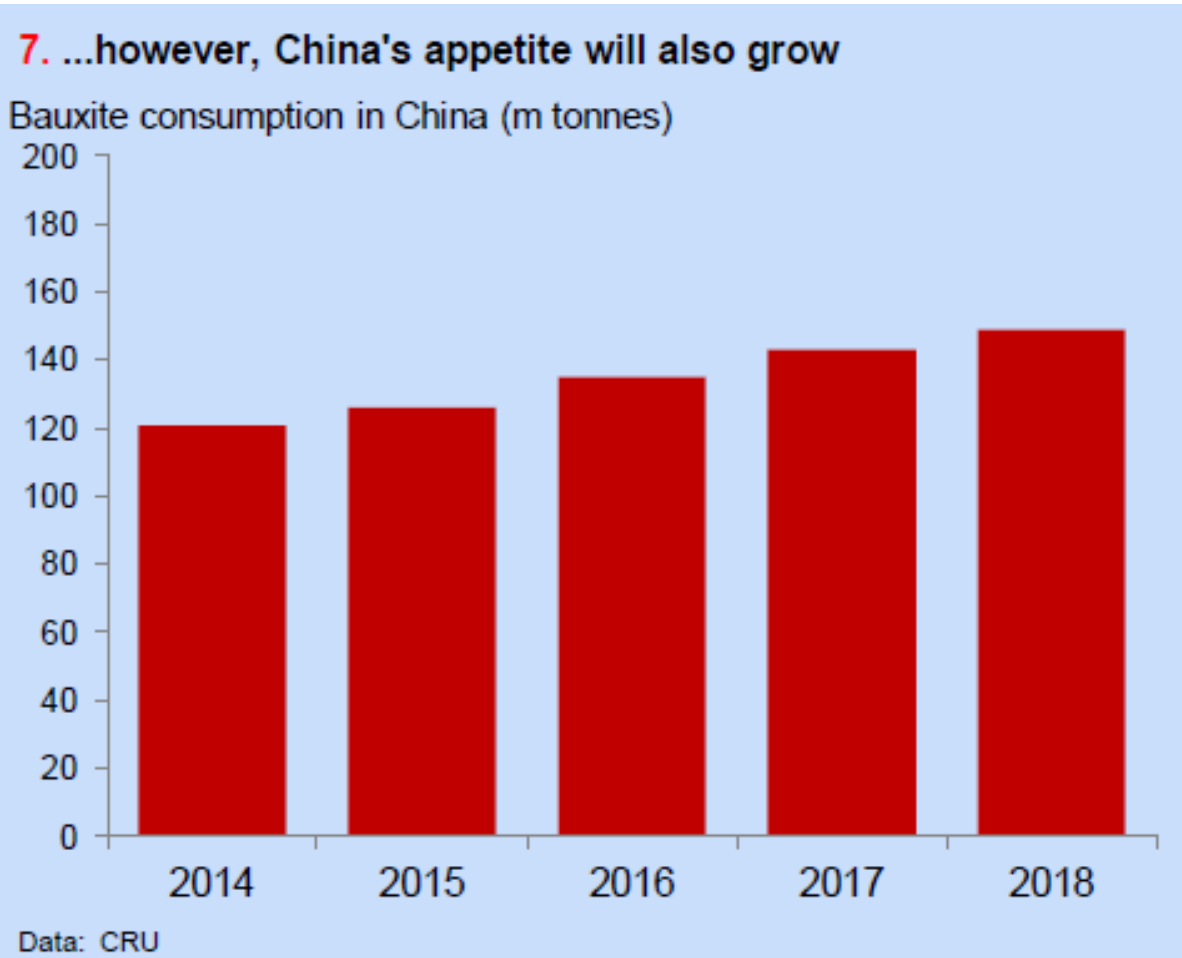
Aluminium capacity and production, 2013 to 2023



Source: Bauxite and Alumina Long Term Market Outlook; July 2014, CRU

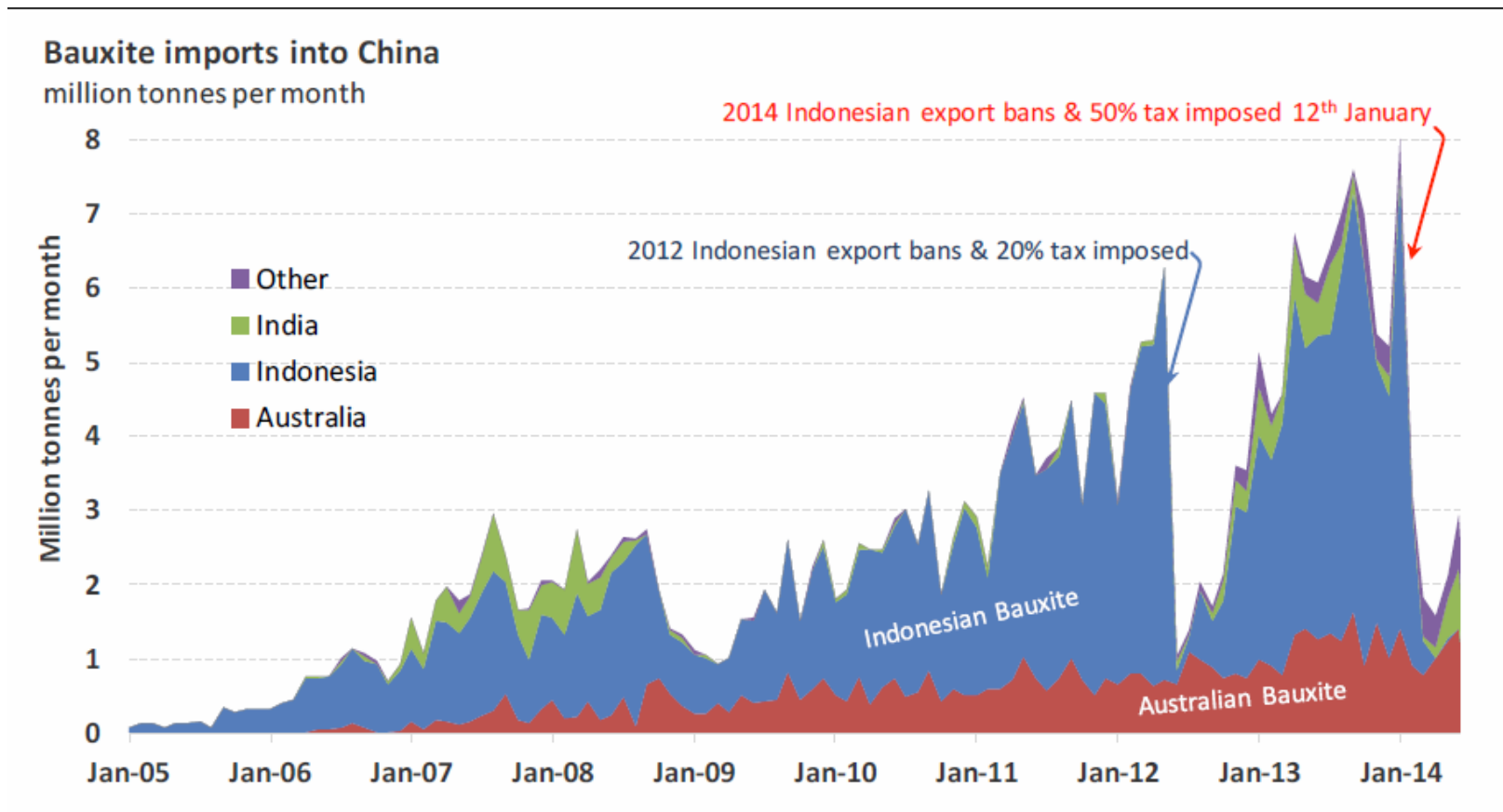
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CHINA'S BAUXITE CONSUMPTION WILL INCREASE BY OVER 35MTPA FROM 2014 – 2018



Source: Bauxite and Alumina Long Term Market Outlook; July 2014, CRU

BAUXITE VOLUMES IMPORTED INTO CHINA

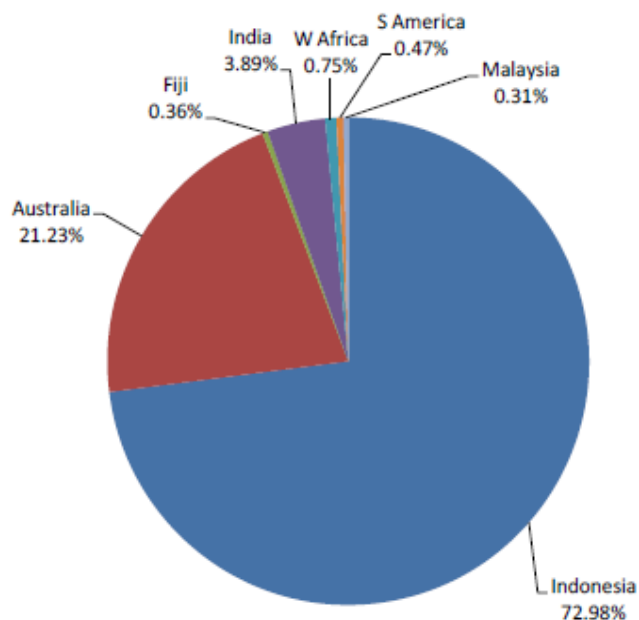


Indonesia, the largest global exporter has implemented an export ban on bauxite and other minerals unless they are processed. This is a major opportunity for Queensland to replace this supply

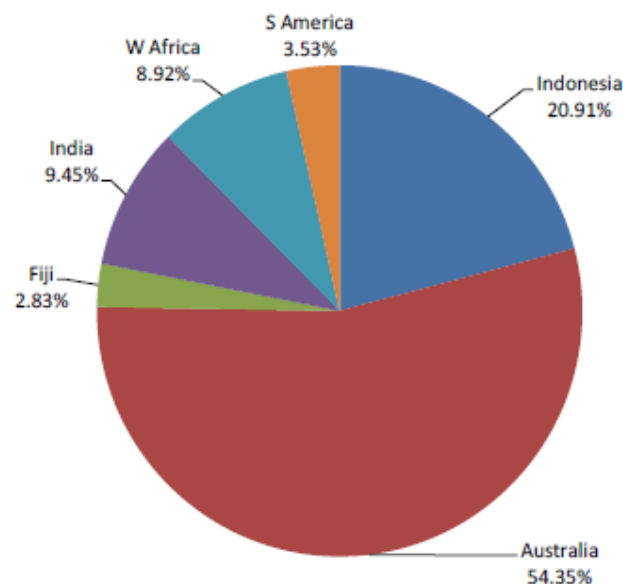
Source: ABX Quarterly Report June 2014

CHINESE BAUXITE IMPORTS BY SOURCE 2009 – 2013 AND 2014 - 2018

Chinese bauxite imports by origin, 2009-2013



Chinese bauxite imports by origins, 2014-2019



Source: Bauxite and Alumina Long Term Market Outlook; July 2014, CRU

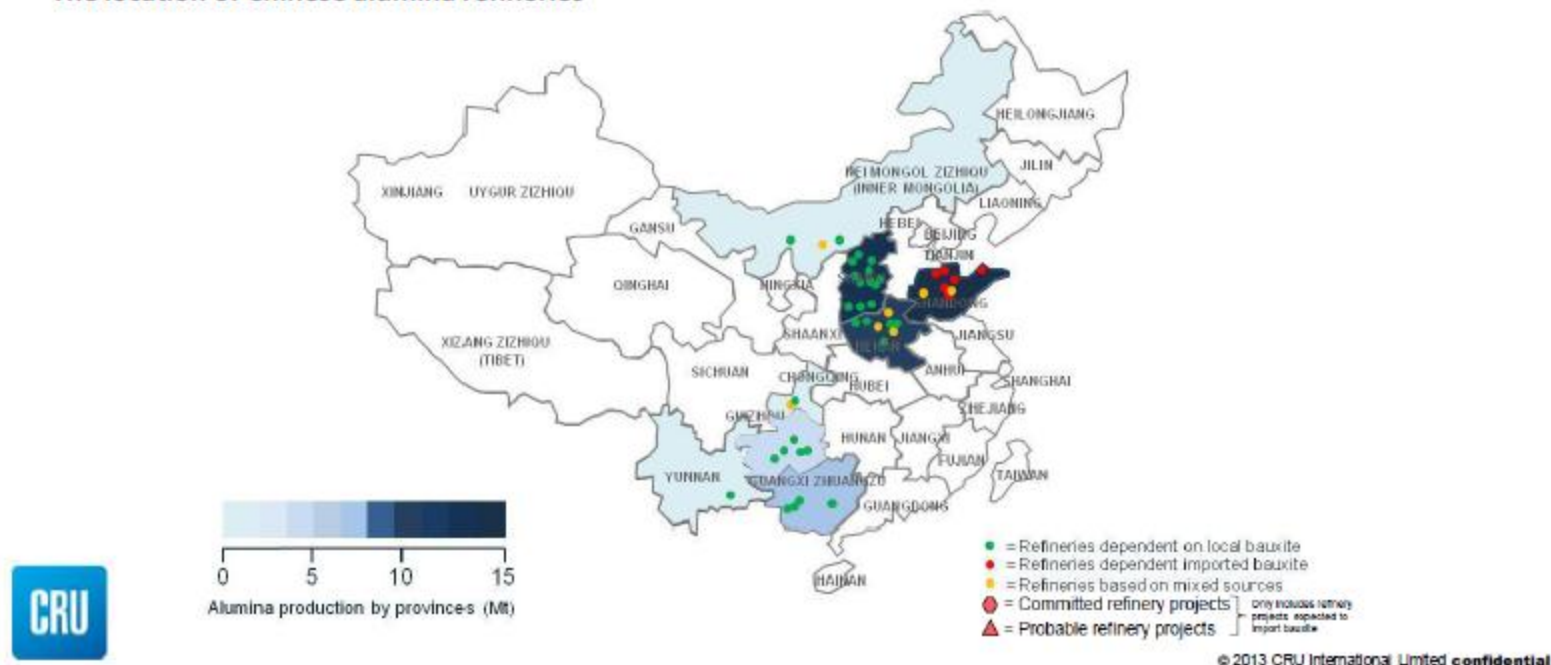
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CHINA'S ALUMINA REFINERIES

Except for Shandong, Chinese alumina refineries are mainly located in bauxite rich regions; Shandong refineries face higher bauxite costs due to reliance on imported bauxite

The location of Chinese alumina refineries

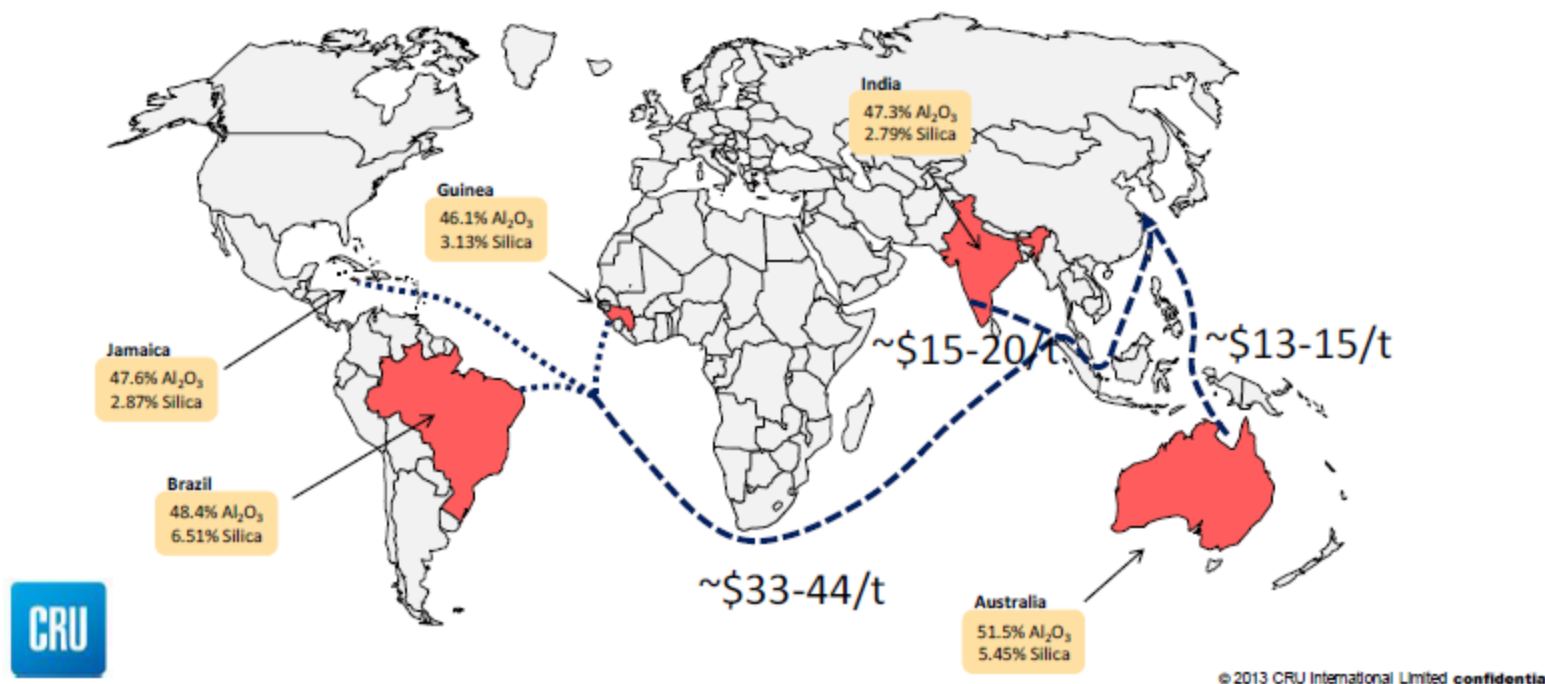


Source: Bauxite and Alumina Long Term Market Outlook; July 2014, CRU

CAPE YORK BAUXITE HAS A FREIGHT ADVANTAGE

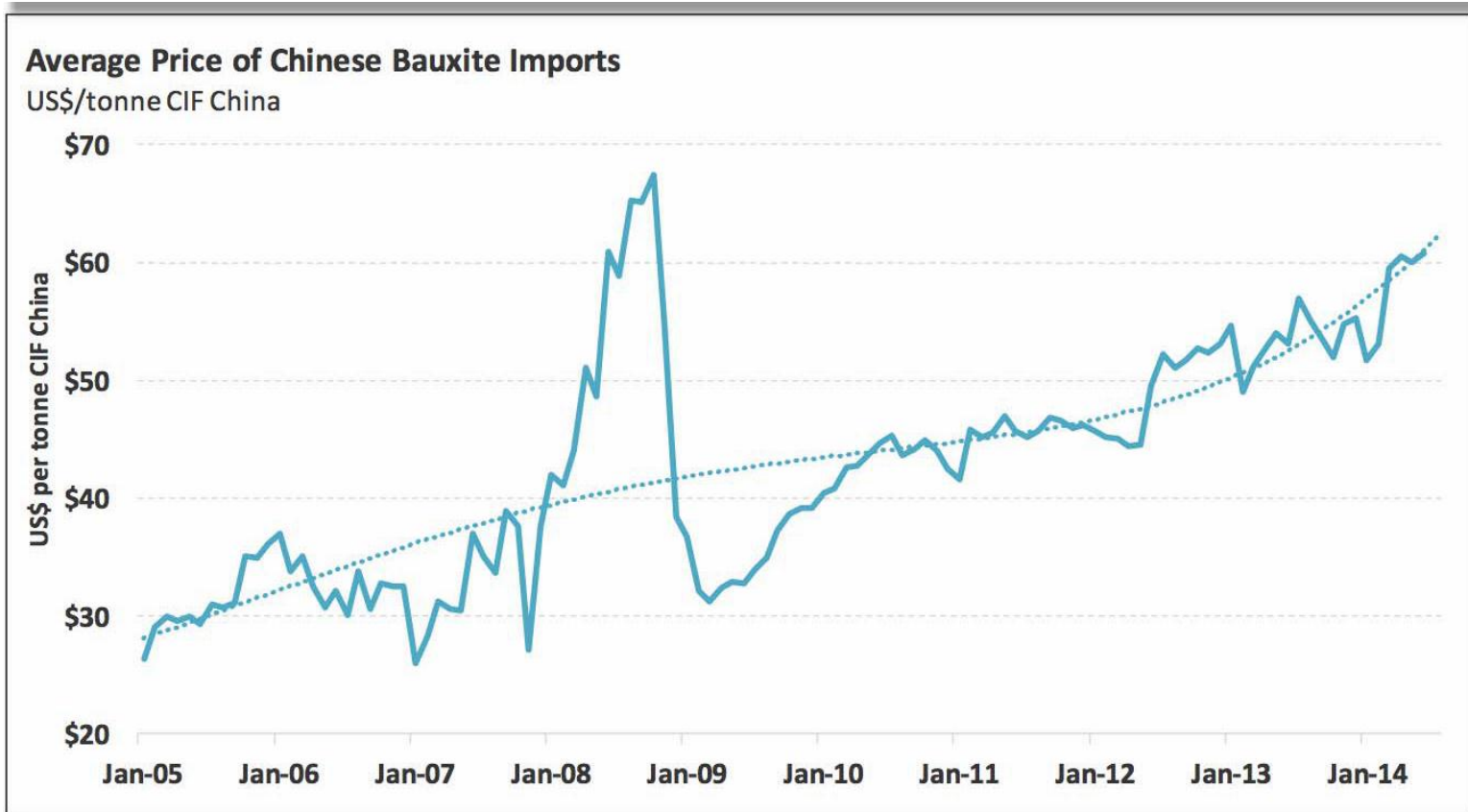
Lower silica contents in West African ore will benefit Chinese refineries from a value in use perspective, but freight rates are also higher

Average bauxite specifications and freight rates from different regions to China



Source: Bauxite and Alumina Long Term Market Outlook; July 2014, CRU

PRICES FOR IMPORTED BAUXITE INCREASING



Chinese imported bauxite prices have grown dramatically over the past five years, based on growing demand from China and limited supply opportunities .

Source: ABX Quarterly Report June 2014

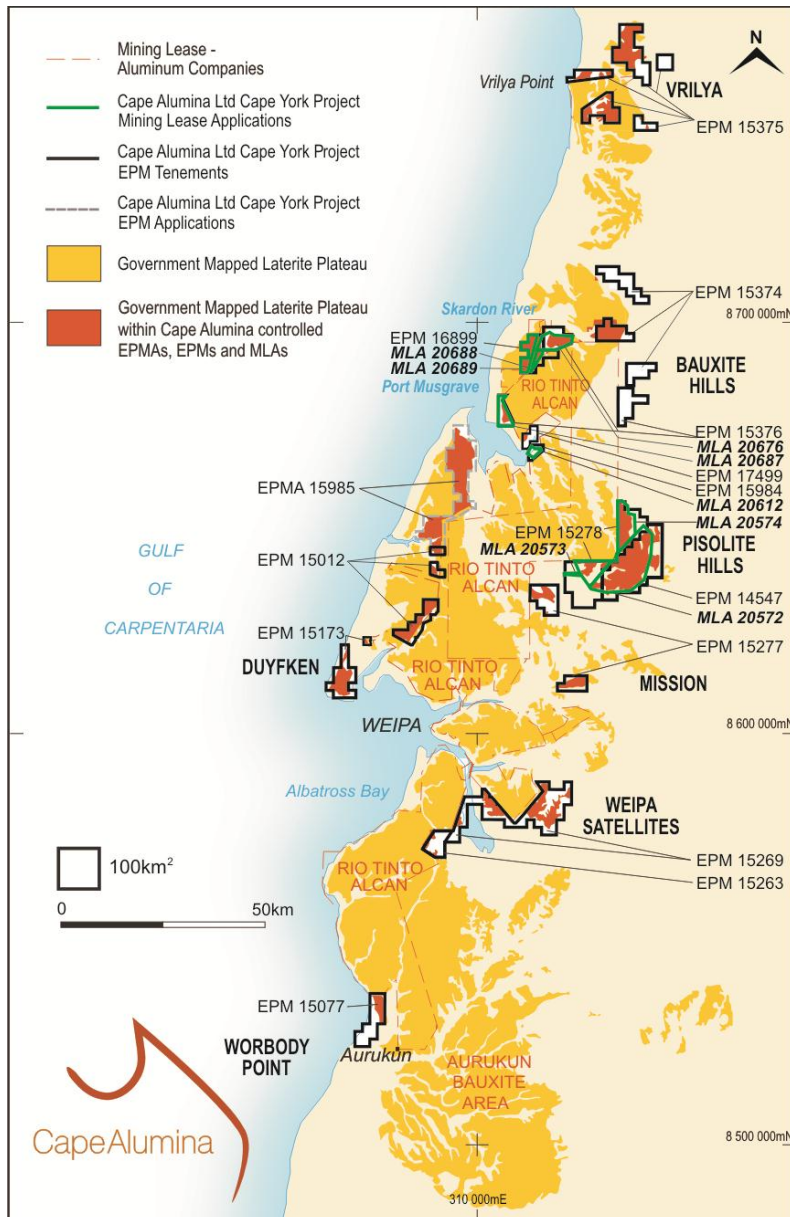
EXPLORATION TENEMENTS

Cape Alumina owns 100% of the following project areas in Cape York.

- ❑ **Bauxite Hills** – 60Mt with demonstrated DSO product
- ❑ **Pisolite Hills** – on hold
- ❑ **Vrilya** – Further exploration required
- ❑ **Mission** – Exploration required
- ❑ **Duyfken** – Exploration required
- ❑ **Weipa Satellites** – Exploration required
- ❑ **Worbody Point** – Exploration required

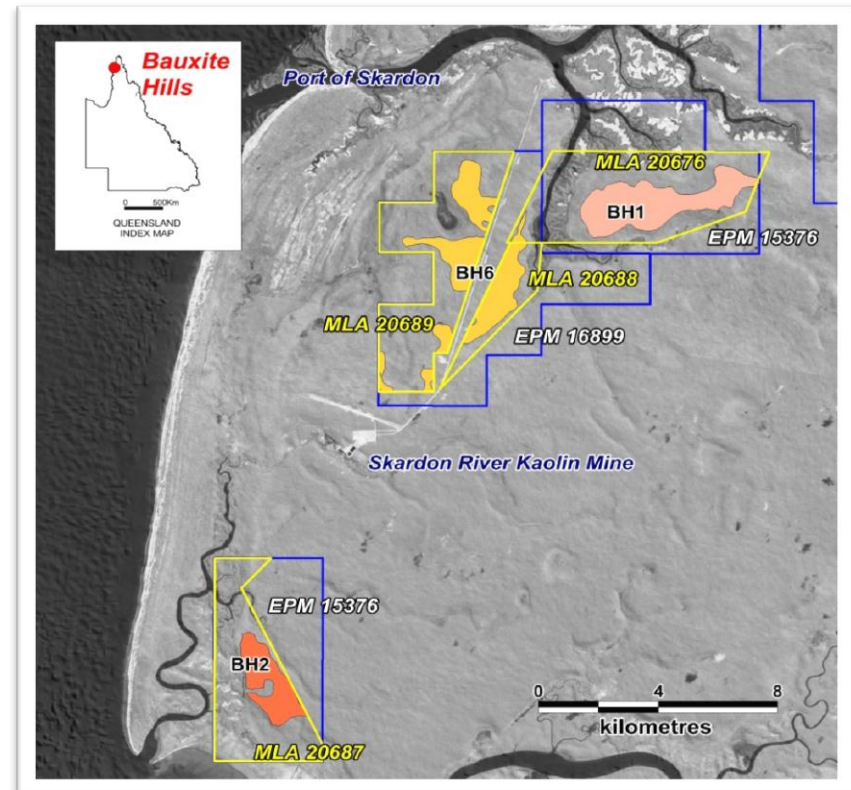
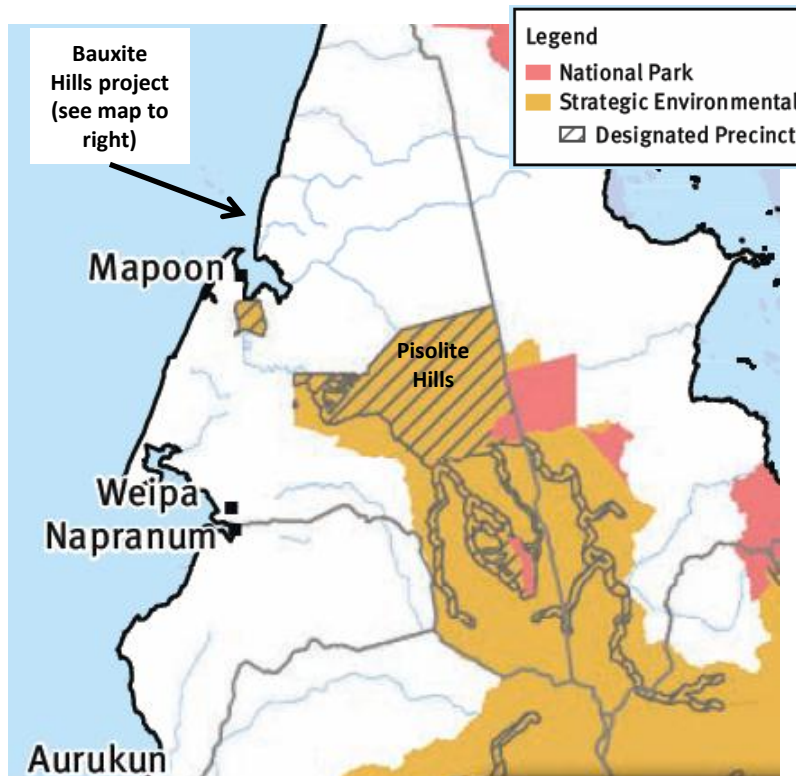
Cape Alumina also has tenements in Central Queensland

Cape Alumina is selling the Hey Point tenement (refer 2 Nov 2012 ASX announcement) and is expected to receive a progress payments of A\$1M by mid-2015



BAUXITE HILLS PROJECT

- ❑ Bauxite Hills has no conflicting land use
- ❑ There is strong local support for development in the area
- ❑ The resource is suited to Direct Shipping – no beneficiation
- ❑ MetroCoal has sufficient cash to progress Bauxite Hills through approval pathway



BAUXITE HILLS RESOURCE



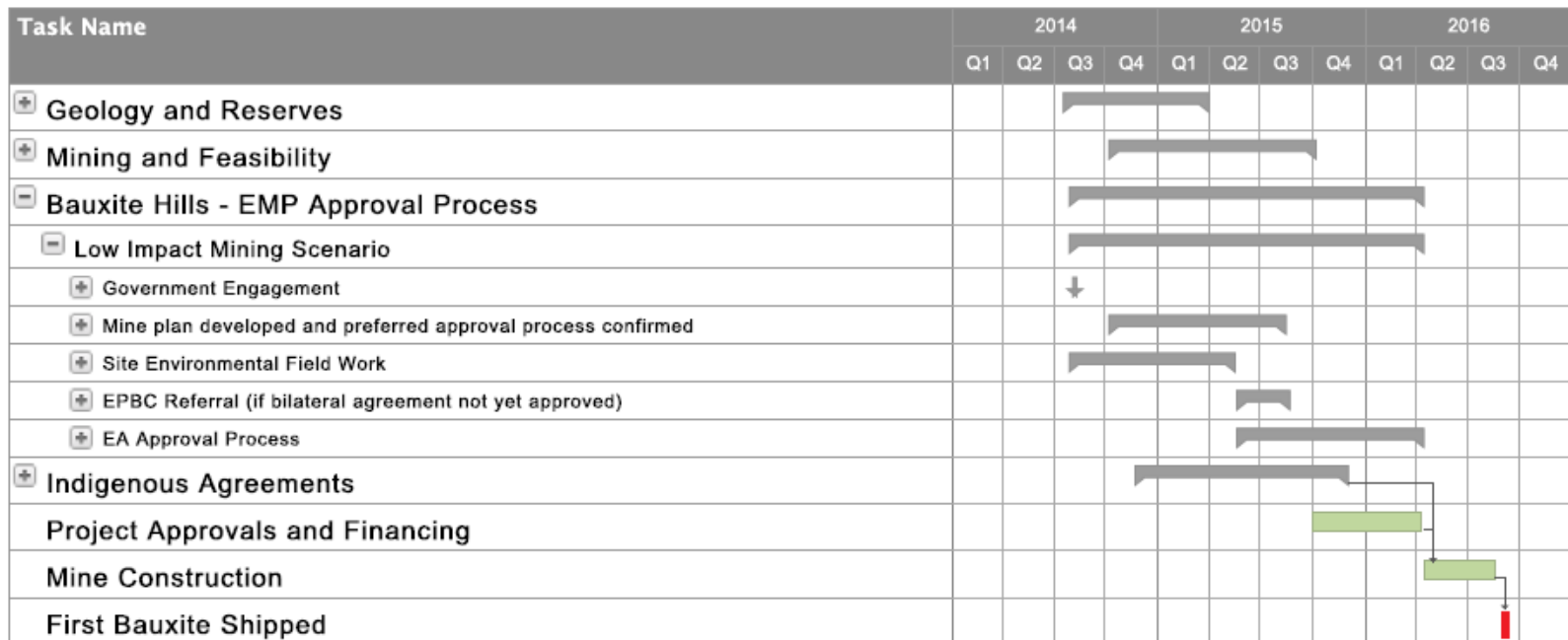
Bauxite Hills Area (Inferred Tonnes)	In-situ dry tonnes (Mt)	Beneficiated dry tonnes (Mt)	DSO In-situ dry tonnes (Mt)	Beneficiated bauxite qualities		DSO bauxite qualities	
				Total SiO ₂ (%)	Total Al ₂ O ₃ (%)	Total SiO ₂ (%)	Total Al ₂ O ₃ (%)
BH1	29.4	20.4		8.2	51.6		
BH2	8.7	5.8		10.0	52.9		
BH6 *	22.1	15.1	19.85	11.2	51.2	12.2	51.2
TOTAL	60.2	41.3	19.85	9.6	51.6	12.2	51.2

- * Trihydrate available alumina for BH6 DSO resource is 39.3% (gibbsite alumina + kaolinite alumina – low temperature desilication product alumina) at 150°C)
- * Reactive silica for BH6 DSO resource is 6.7% (at 150°C)
- * A DSO resource for BH1 is currently being developed
- * BH2 does not form part of the immediate mine plan but provides significant upside for future development

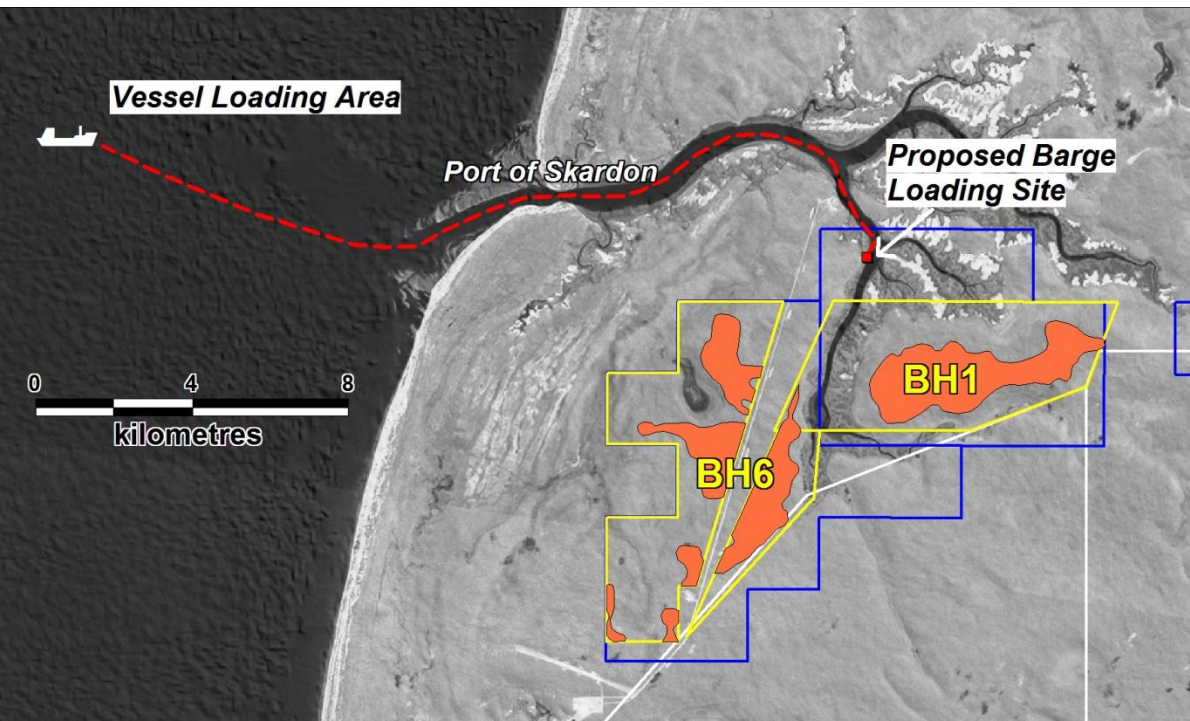
BAUXITE HILLS DEVELOPMENT PATH



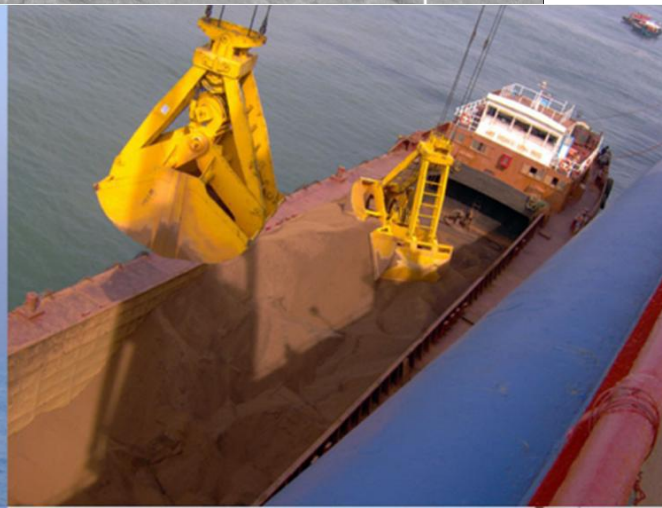
- ❑ Cost to approvals are estimated to be A\$4.5M
- ❑ Environmental work has commenced to meet the planned schedule
- ❑ Capex currently estimated at A\$40-80M



BARGING AND TRANSHIPPING



- ❑ Bauxite ore will be loaded into shallow draught barges about 12km upstream
- ❑ Transhipment will take place approx 12km offshore
- ❑ Bauxite will be loaded into supermax or panamex vessels using grapple cranes



PROPOSED BARGE LOADING SITE



Proposed Barge Loading Site

BH-E2

Google earth

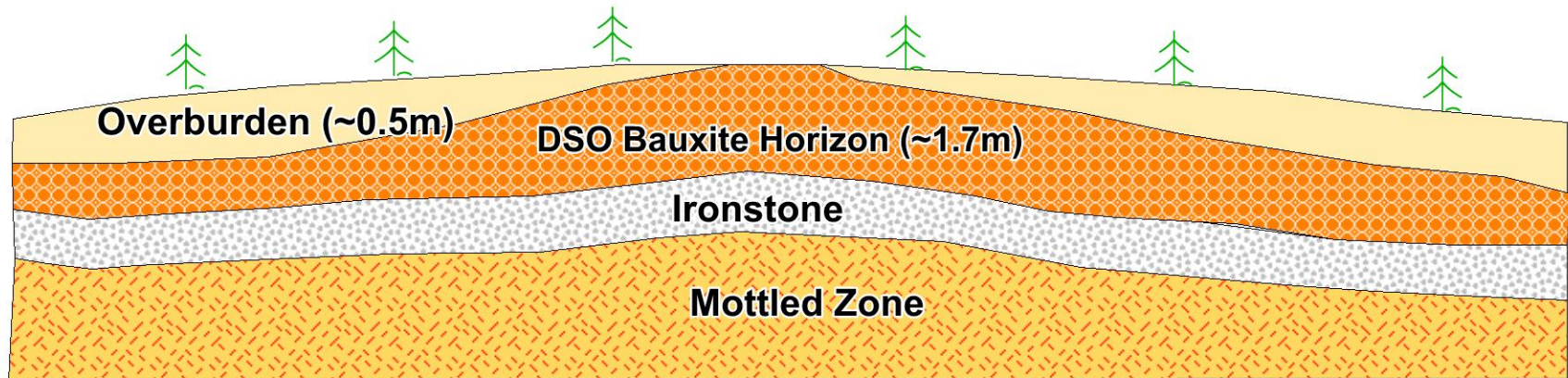
11°45'34.48" S 142°03'45.88" E elev 17 m eye alt 6.78 km



Source: Superior Industries, Inc. (<http://superior-ind.com>)

MINING – SHALLOW OPEN CUT

Schematic Bauxite Profile at BH6



- ❑ Average bauxite thickness at BH6 is 1.7m and the average overburden thickness is 0.5m
- ❑ Average bauxite thickness at BH1 is 2.4m and the average overburden thickness is 0.4m

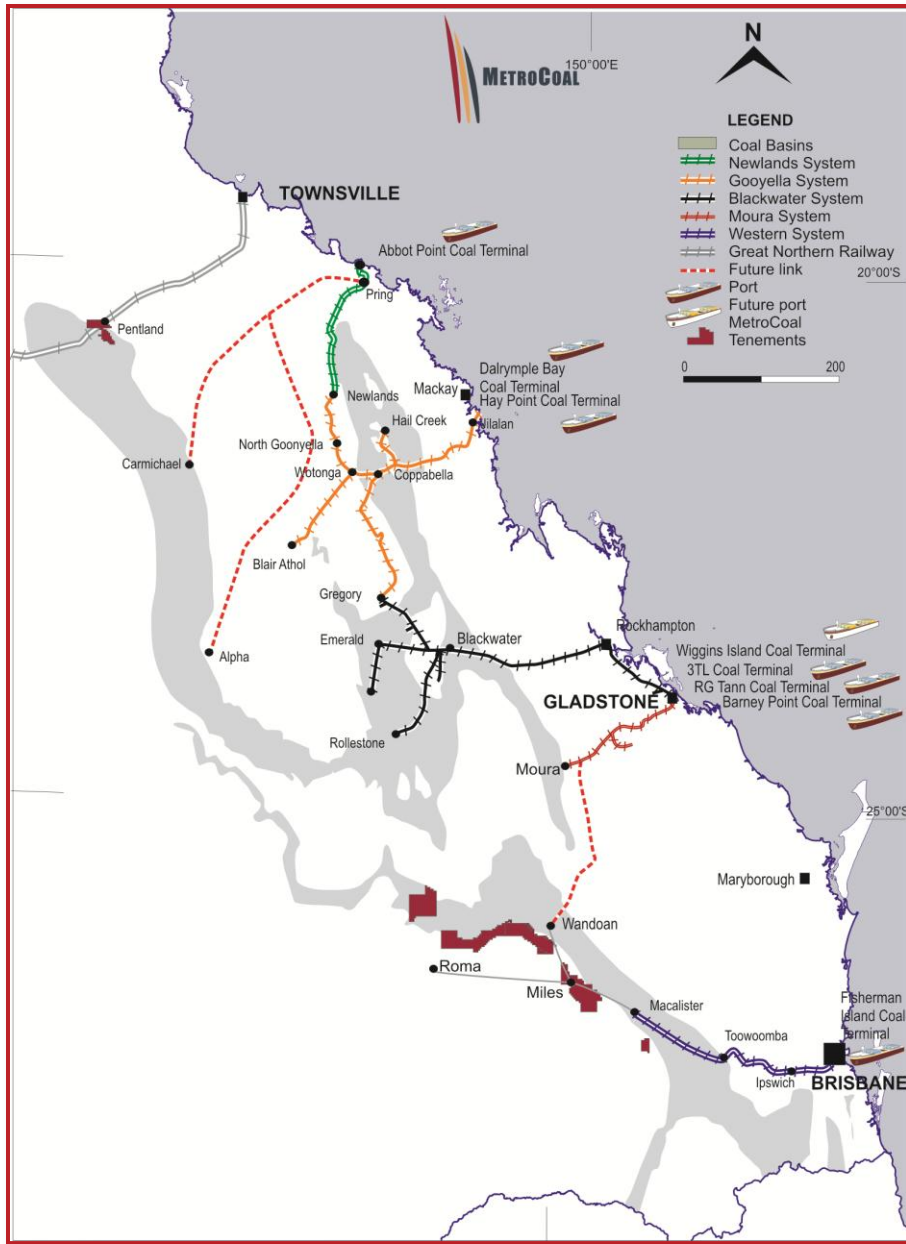
WORKING WITH THE LOCAL COMMUNITY



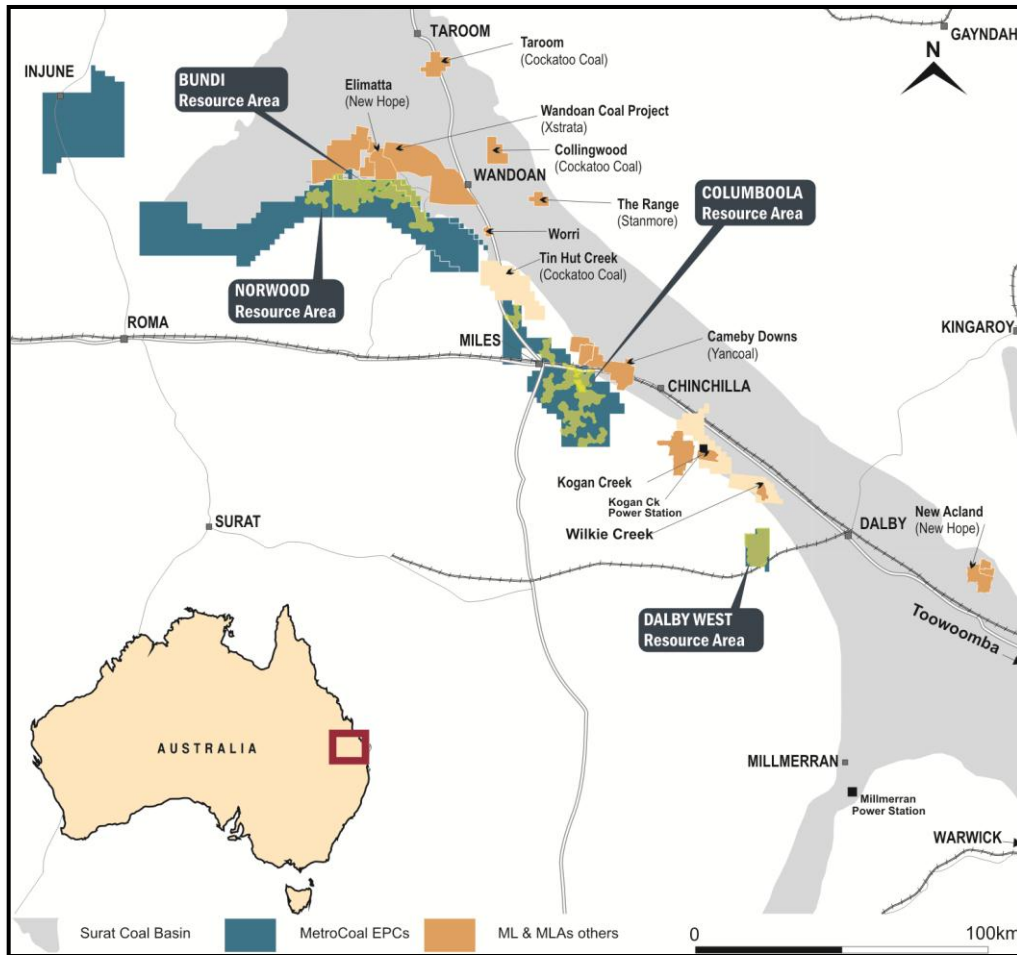
- ❑ We work collaboratively with all stakeholders to deliver sustainable, profitable bauxite mining projects that also have positive social, economic and environmental outcomes for the local community and broader Australian public.
- ❑ We work with the local community to protect cultural heritage and the local environment.
- ❑ We create employment and business opportunities and we will ensure that our projects generate genuine economic and social benefits for the local community.

METROCOAL TENEMENTS

4.4 billion tonnes of thermal coal in Queensland



THE SURAT BASIN AND METROCOAL



- Surat Basin coal resource provides an ideal source of high quality thermal coal.
- MetroCoal resource 4.4 billion tonnes - Focus on Bundi and Columboola Projects.
- Key issue is the construction of rail infrastructure.
- Coal tenements will be retained in good standing until the thermal coal market recovers

METROCOAL RESOURCE



Project	MetroCoal Ownership	Resources (Mt)			Reserves (Mt)	JORC CODE
		Indicated	Inferred	Total		
Bundi (includes Juandah)	100%	296	1705.6	2001.6		2012
Columboola	49%	242.6	1515.0	1757.6		2012
Goombi	49%	4.9	13.8	18.7	26.2	2004
Dalby West	100%		520	520		2004
Norwood	100%		156	156		2004
TOTAL		543.5	3910.4	4453.9	26.2	

MTE ASX Announcement 24 October 2013 – Bundi Project Update

MTE ASX Announcement 19 July 2012 – Bundi Resource Upgrade and Project Update

MTE ASX Announcement 9 December 2011 – Dalby West Project – Maiden Inferred Resource of 520Mt

MTE ASX Announcement 6 September 2012 – Maiden Indicated Resource for Columboola JV plus 26% increase in Inferred Resource

MTE ASX Announcement 19 December 2012 – Goombi Maiden Reserve Announced

2015



NEW NAME



NEW DIRECTION



DISCLAIMER



Statements and material contained in this Presentation, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of MetroCoal Limited and Cape Alumina Limited, industry growth or other trend projections are, or may be, *forward looking statements*. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Graphs used in the presentation (including data used in the graphs) are sourced from third parties and MetroCoal/Cape Alumina has not independently verified the information. MetroCoal is at an early development stage and while it does not currently have a operating bauxite mine it is taking early and preliminary steps (such as but not limited to scoping studies etc.) that are intended to ultimately result in the building and construction of an operating mine at its project areas. Although reasonable care has been taken to ensure that the facts stated in this Presentation are accurate and or that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this Presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

Technical information about the ore resources on any Cape Alumina project in this document had been compiled by Neil McLean, who is a consultant for Cape Alumina Limited, a Fellow of the Australian Institute of Mining and Metallurgy (F. AusIMM) and is a competent person and has relevant experience to the mineralisation being reported on to qualify as a Competent Person as defined by the 2004 and 2012 editions of the Australasian Code for Reporting of Minerals Resources and Reserves. Neil McLean consents to the inclusion in the document of the matters based on the information in the form and context in which it appears. The resource information in this document has been released to the ASX. The information in this document that relates to all resources (other than DSO resources) was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The information in this document that relates to the DSO resource on the BH6 plateau of the Bauxite Hills project has been prepared and disclosed under the JORC Code 2012.

With reference to resources in the MetroCoal Resource and Reserve table excluding Bundi, Juandah and Coolumbola Resources.

The information in this Announcement that relates to the Compilation of existing data and Exploration Results is based on information compiled by Mr Ed Radley who is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM) (Membership No 300512). Mr Ed Radley is an independent Geological Resource Consultant retained by MetroCoal Limited. 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 2004 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 announcement the matters based on the information in the form and context it appears.

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A large industrial crane, likely a bucket wheel excavator, is shown in the foreground, its long arm extending across the frame. The crane is constructed from dark metal and is positioned next to a massive, conical pile of bright red iron ore. The background features a clear blue sky with scattered white clouds. The overall scene depicts a large-scale mining or processing operation.

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