



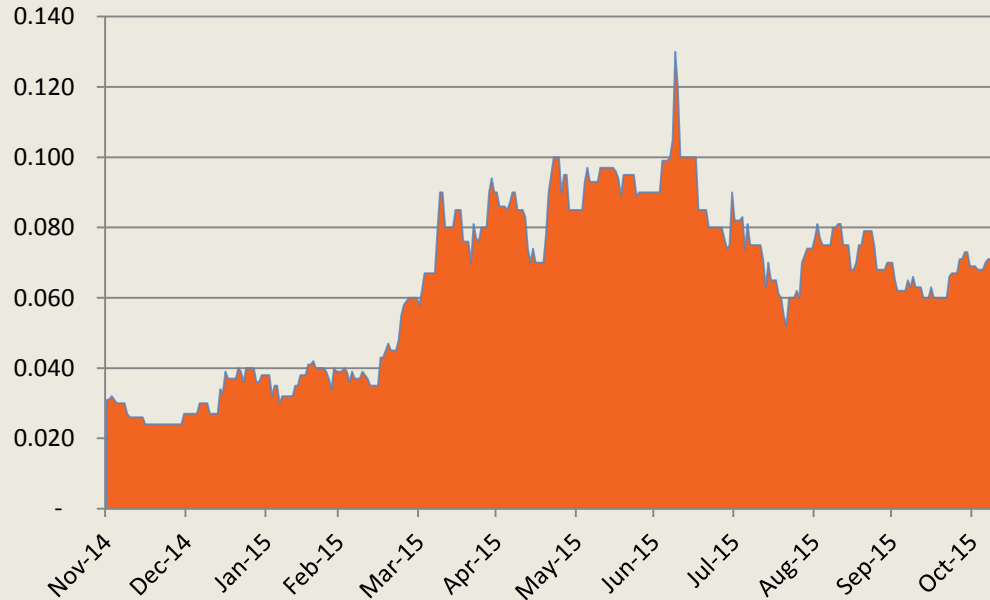
# Mining 2015 Resources Convention

October 2015

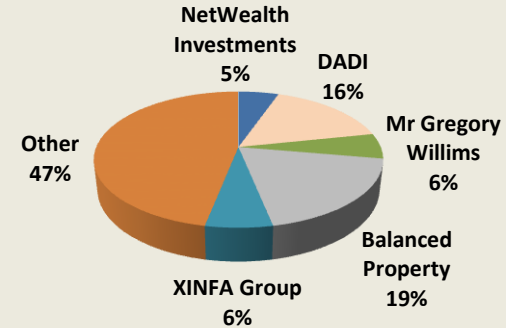
Bauxite Hills | Delivering Value

# CORPORATE SNAPSHOT

## Metro Mining Share Price (A\$)



## Shareholders



## Capital Structure 10 November 2015

Share Price	7cents
Shares on Issue	358.5m
Market Cap	A\$25.0m
Options	10.7m
Cash (30 Sept '15)	A\$6.6m
Debt	Nil



# Bauxite Hills Overview



## Located 95km North of Weipa on Western Cape York

- Area regarded internationally as a leading Bauxite Province
- Area world-renowned for its deposits of high-quality, export-grade bauxite
- Consists of two bauxite plateaus situated next to the Skardon River with Reserves of 48.2Mt\*
  - 50.2% total  $\text{Al}_2\text{O}_3$
  - 38.4% THA
  - 6.4% RxSi
- Nearby existing infrastructure
- Positive community engagement

\* ASX Release 2 June 2015

# Bauxite Hills – High Margin Development Opportunity

- ✓ Simple Construction and operation
- ✓ Low CAPEX and OPEX
- ✓ DFS demonstrates robust economics with post-tax NPV <sup>15%</sup> of A\$235 M and 148% IRR\*
- ✓ 25+ years\*\* mine life following recent Reserve increase
- ✓ 1.95Mtpa\*\* Direct Shipping Ore (DSO) operation targeting Q3 2017 production
- ✓ Positive Market Fundamentals with increasing demand and positive outlook
- ✓ High quality product in available Al<sub>2</sub>O<sub>3</sub> with third party confirmation of DSO product suitability
- ✓ Strong community support from Cape York stakeholders with Native Title progressing well

\*Refer ASX Release 5 Nov 2015 | \*\*MMI confirms all material assumptions underpinning the production target & corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2.

# Definitive Feasibility Study\*

Completed for 2 million tonnes per annum

Key Financial Result	Output	Key Financial Assumptions	Input
NPV <sup>15%</sup> (Real, after tax)	A\$235M	Annual Production Rate (Steady State)	1.95Mt**
IRR	148%	LOM Production	49.1Mt
Payback Period	1.1 years	Mine Life	25.2 years
Total LOM Revenue	A\$2.87B	Bauxite Price (FOB)	US\$38.60 – 45.40/t
LOM Average Annual EBITDA	A\$54.4M	Exchange Rate (AUD/USD)	0.75
LOM Average Annual NPAT	A\$37.3M	Discount Rate	15%
LOM Average Operating Margin	A\$28.73/t	Pre-Mining Development Capital Expenditure	A\$33.9M
LOM Average Operating Costs (ex-Royalties)	A\$22.49/t	Deferred and Sustaining Capital Expenditure	A\$4.9M
LOM Total Operating Expenditure	A\$29.75/t	Working Capital	A\$4.0M

\* Refer ASX Release 5 Nov 2015 | \*\*MMI confirms all material assumptions underpinning the production target & corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2.

# Bauxite Costs

## CAPEX

Item	Amount (incl contingency)
Haul roads and site establishment	A\$3.17M
Navigational aids and cyclone moorings	A\$1.05M
Site Infrastructure including BLF and accommodation camp	A\$24.28M
Mining and ancillary equipment	A\$2.91M
Mobilisation, insurances and EPC design	A\$2.49M
<b>Total</b>	<b>A\$33.9M</b>

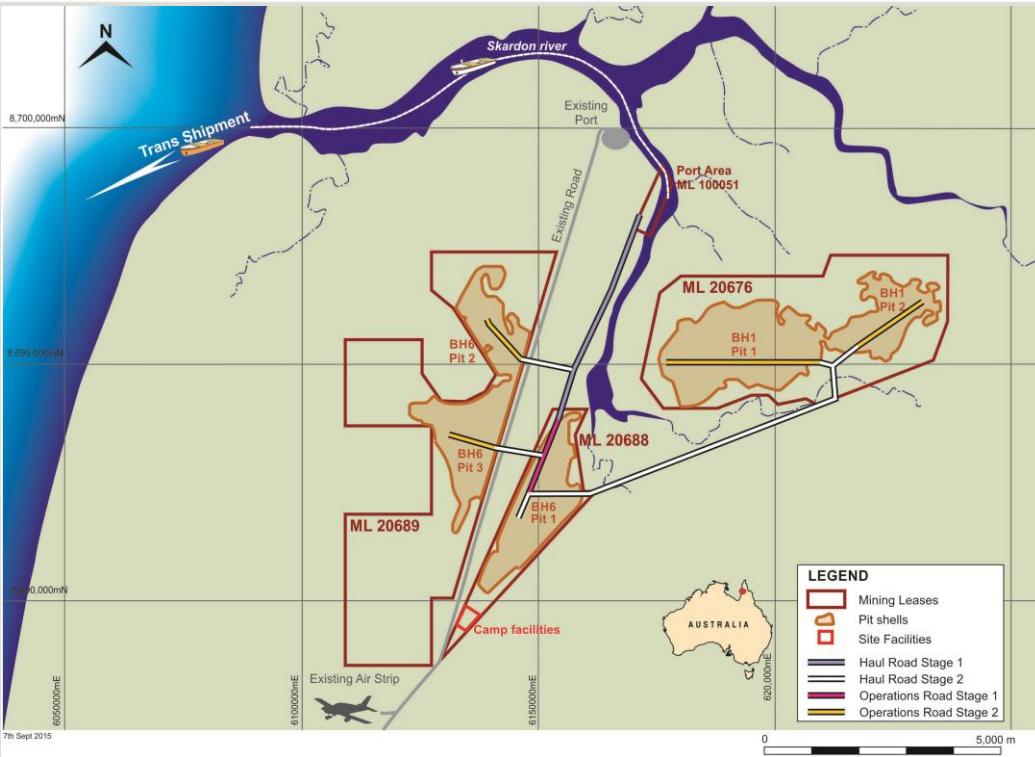
CAPEX estimates have been undertaken to an accuracy of  $\pm 15\%$  & supported by detailed design engineering & direct industry quotes. As part of the DFS varying levels of contingency have been assessed at each item reflecting the level of confidence achieved in each of the estimates.

## OPEX

Item	Amount
Mining, haulage and operation of BLF	A\$7.09/t
Transshipment activities	A\$9.17/t
Site and administrative costs	A\$6.24/t
<b>Total Operating Costs (ex-royalties)</b>	<b>A\$22.49/t</b>
Royalties and other costs	A\$7.26/t
<b>Total</b>	<b>A\$29.75/t</b>

OPEX estimates have been undertaken to an accuracy of  $\pm 15\%$  and supported by first principles engineering estimates and direct industry quotes.

# Bauxite Hills Site



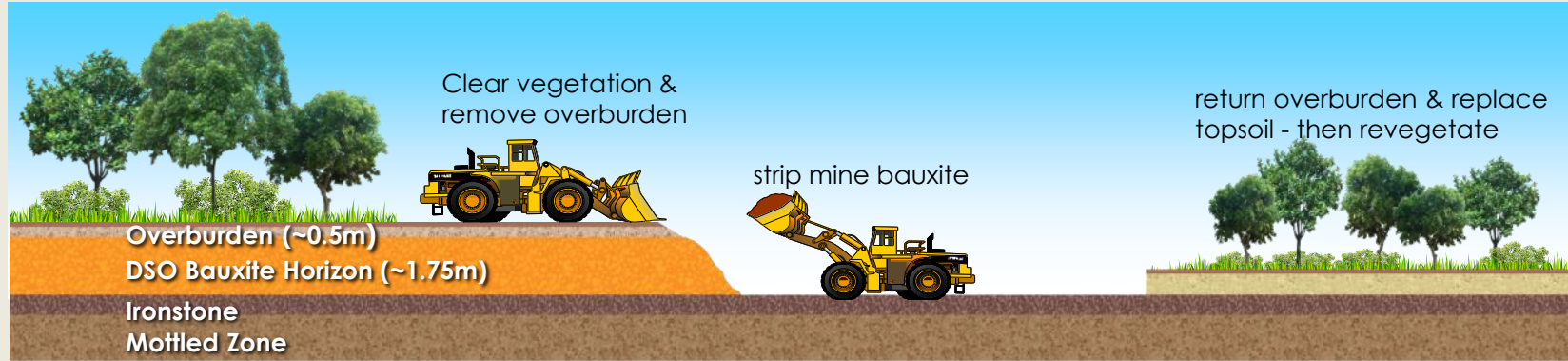
## Metro will maximise opportunities provided by an Environmental Impact Study.

- The 1.95Mtpa\* DFS identified the project has excellent potential and a resource base that could support a larger annual production rate.
- Potential benefits identified included:
  - ✓ Realising economies of scale and achieve superior financial returns
  - ✓ Greater utilisation of deployed capital
  - ✓ Stronger presence in the bauxite market,
- A Terms of Reference for a 5Mtpa mining operation has been submitted
- Work on a Scoping Study for a 2Mt start up, ramping to 4-5Mtpa has begun

\* Refer ASX Release 5 Nov 2015 | MMI confirms all material assumptions underpinning the production target & corresponding financial information continue to apply & have not materially changed as per Listing Rule 5.19.2.

# Simple Mining Operation

Mining



Transportation

Haul ore 5-10km to stockpile & barge loading



Barge ore 10km down Skardon River



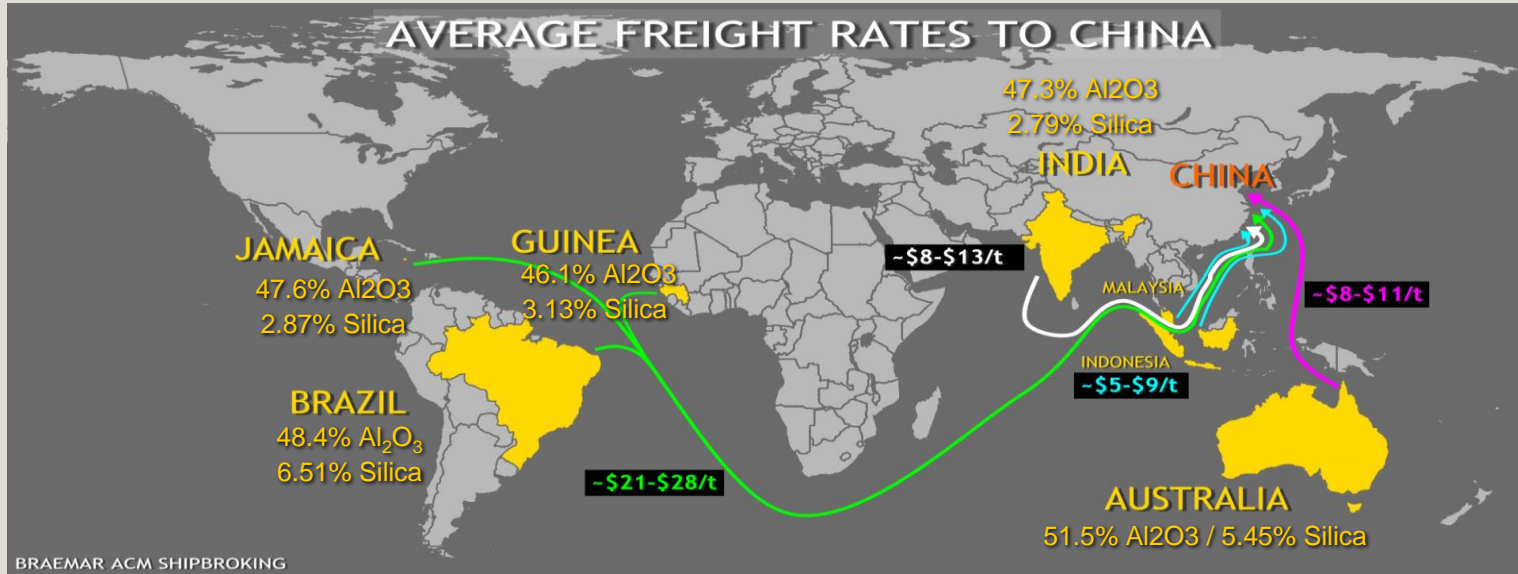
Tranship to bulk carrier, for export



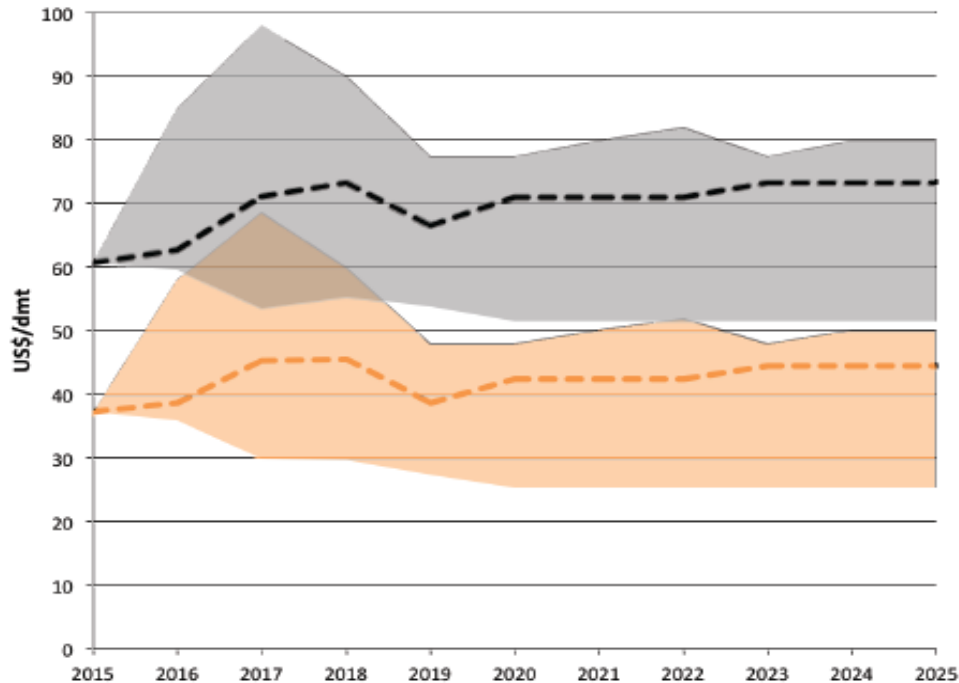


# Location | Location | Location

- Cape York's high quality export grade bauxite with high alumina content and its characteristics are well known to Chinese and other international alumina refineries
- Located close to international shipping routes with low relative freight costs to China



# CBIX & Bauxite Hills Price Range



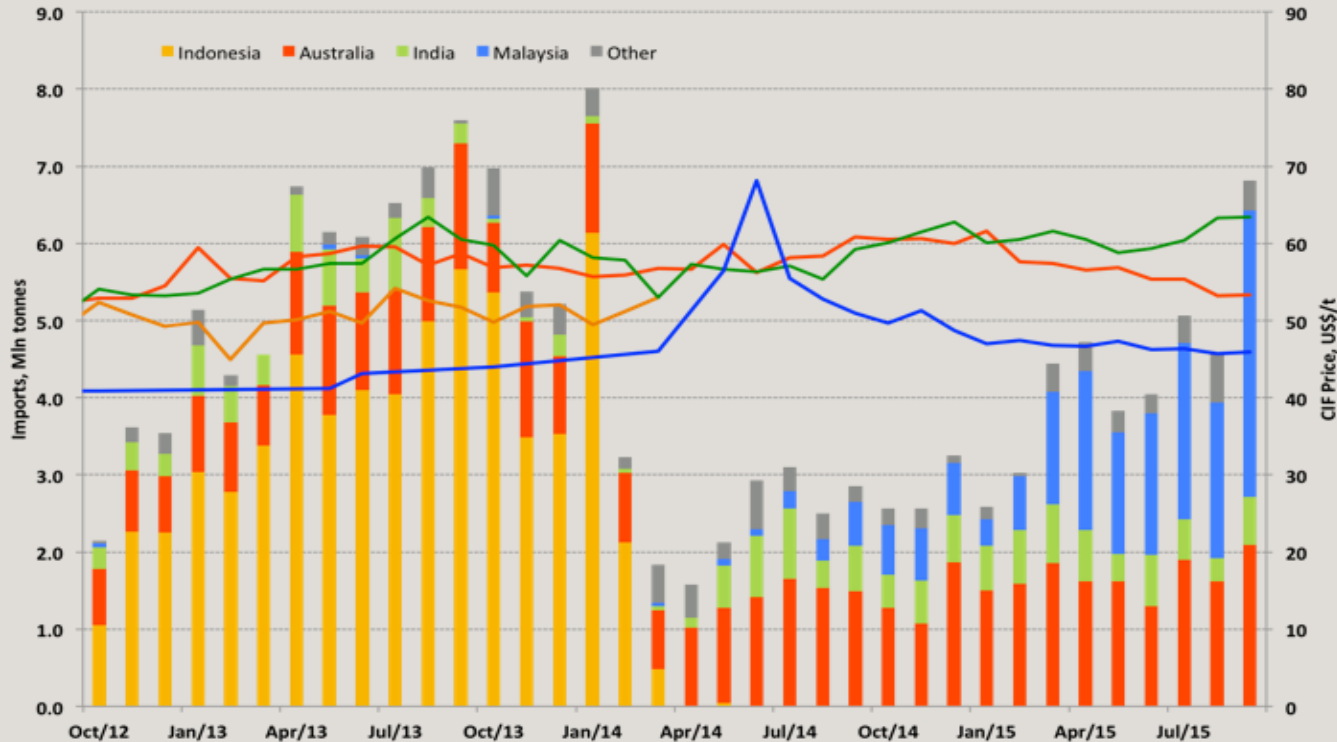
Despite concern over China's economy, aluminium demand is forecast to remain strong with much of the industry forecasting 5 -8 % growth over next decade.

- Imported bauxite demand is expected to stay strong due to a number of factors:
  - ✓ Depleting reserves and grades for domestic producers forces domestic supply to be replaced by imported supply
  - ✓ Growth in the demand for aluminium
  - ✓ Existing demand from merchant refineries

	CBIX CFR Range		CBIX CFR Range
	Bauxite Hills FOB Range		Bauxite Hills FOB Range

Source: CM Group

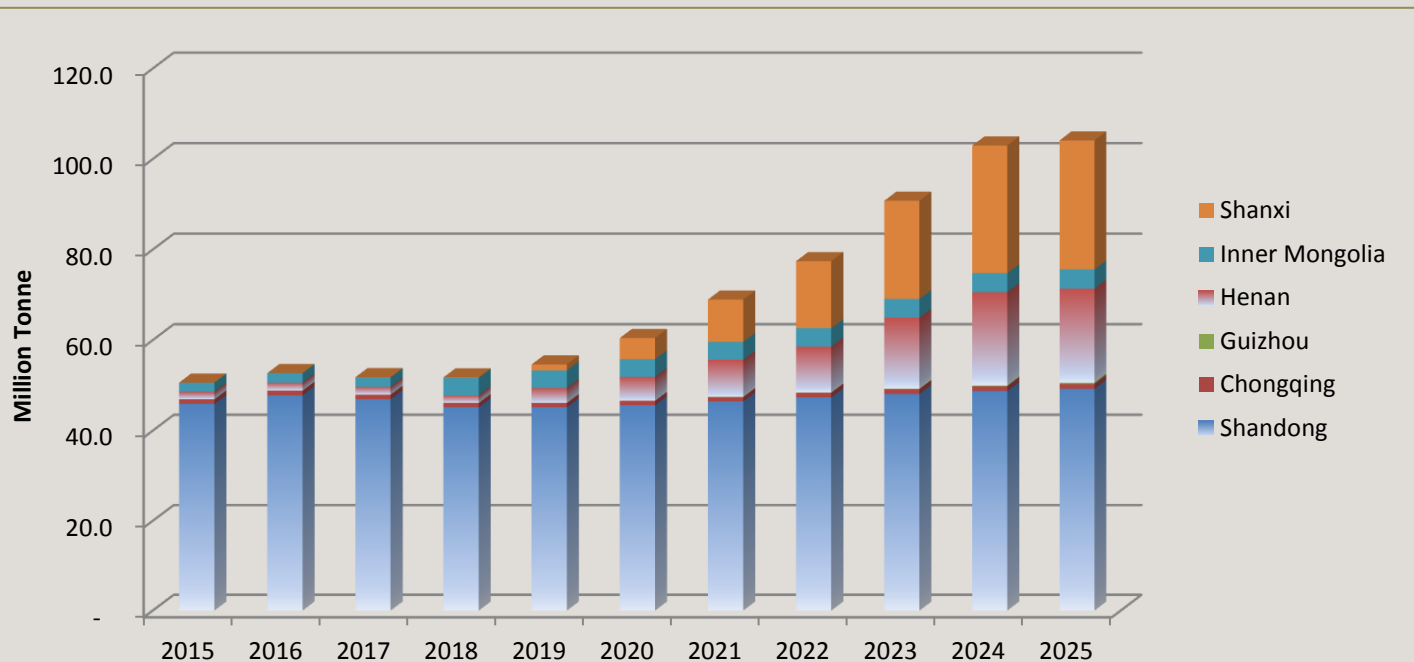
# Bauxite Market Historical Overview



- Over past decade there's been change in the global 3rd party bauxite market due to Chinese alumina refineries processing imported bauxite
- Since Indonesia ban on raw material export, Chinese refineries developing new global bauxite sources in Fiji, Australia, Guinea, Malaysia and other countries

Source: CM Group

# Forecast of China Bauxite Imports



- China imported 22.7 Mt of bauxite in first half of 2015.  
**Approx 75% of imports are low temp bauxite**
- Indonesian bauxite ban still in place
- Malaysia could export up to 15-20Mt in 2015 however Malaysia bauxite resources are unknown.

Source: CM Group

# Native Title Agreement Pathway



- Facilitation of further community and stakeholder engagement.
- Continued positive local community engagement and support
- Preferred Right to Negotiate process with Native Title owners progressing well
- On schedule to conclude Q4 2015



# Product Quality & Marketing



## Off-take Discussions and Marketing Strategy Progressing Well

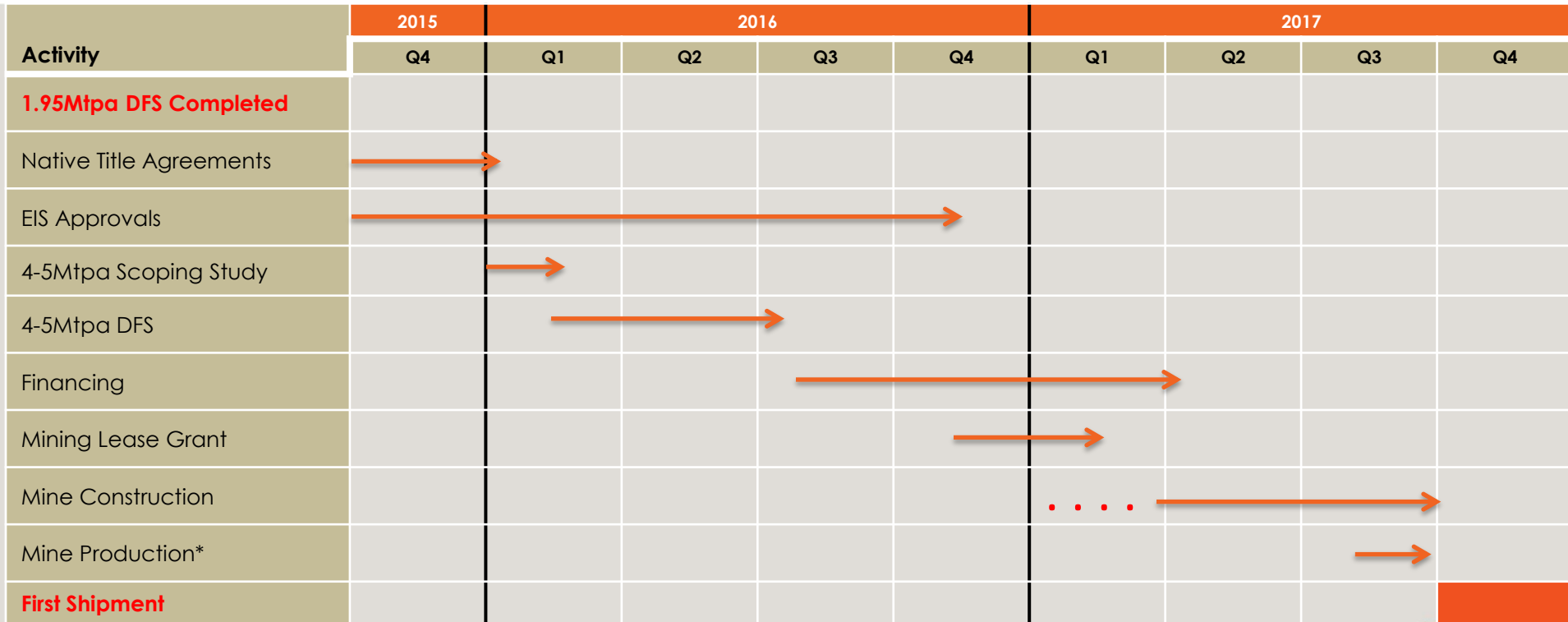
- Marketability studies undertaken by industry consultants CM Group
- Bauxite Hills is product suitable for low temperature refining process used in over 80% of China's current refining capacity – confirmed by customers
- Off-take discussions with major shareholder Xinfu other Chinese consumers continue to progress well
  - ✓ MOU (non-binding) with Xinfu
- Appointment of China bauxite marketing expert Norman Ting has been successful and is resulting in strong advances in off-take negotiations

# Opportunity for Upside



- Definitive Feasibility Study for 2Mtpa mine completed & released to market 5 Nov 2015
- Development plan is to commence mining at 2Mtpa and expand to a 4 or 5 Mtpa operation.
- A Scoping Study to determine optimum tonnage is underway and will result in:
  - ✓ A New Mine Plan
  - ✓ Review Operating Strategy
  - ✓ Review Capital and Operating Model
  - ✓ Updated Financial Model
- It is anticipated that a Scoping Study will:
  - ✓ Delineate a higher annual mining rate
  - ✓ Improved Capital Intensity
  - ✓ Lower OPEX due to economies of scale

# Bauxite Hills Project Pathway



\*Production date is subject to EIS Approval



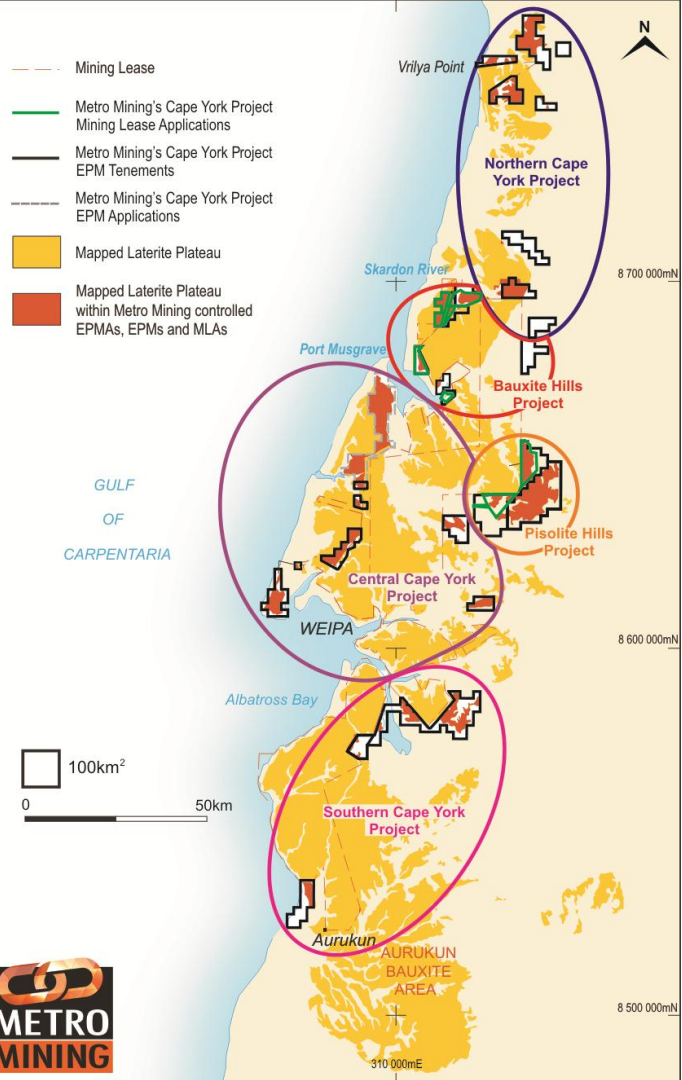
# Future Opportunities

## Bauxite Tenements in Cape York

1,300sq kilometres of exploration permits in a region well known for its high-quality, export grade bauxite.

## Reconnaissance Exploration programme undertaken in 2015

## Opportunity to Increase production by replicating the Bauxite Hills model



# Summary

## Attractive Fundamentals

- Global growth in aluminium consumption
- Increasing demand for bauxite in China
- Strong price growth forecasted
- Focus on DSO quality bauxite



## Favourable Location

- Western Cape York is known for high-quality export grade bauxite
- Proposed mine located close to international shipping routes
- Low freight costs to China



## Robust Economics

- Simple DSO project
- Long mine life (25+ years\*)
- Low capex and opex
- Off-take opportunities currently in negotiation



## Ideally Positioned

- Close proximity to existing infrastructure
- Near term development of Bauxite Hills
- Large land holding on Cape York



*\*Refer ASX Release 5 Nov 2015. Metro confirms all material assumptions underpinning the production target and corresponding financial information continue to apply and have not materially changed as per Listing Rule 5.19.2*

# CORPORATE & CONTACT DETAILS



## EXECUTIVE MANAGEMENT TEAM

Mr Simon Finnis | Chief Executive Officer  
Mr Scott Waddell | CFO & Company Sec  
Mr Mike O'Brien | Project Director

## REGISTERED OFFICE AND HEAD OFFICE

Level 8, 300 Adelaide St, Brisbane Q 4000  
PO Box 10955, Adelaide St, Brisbane Q 4000

**Tel:** +61 (0) 3009 8000 **F:** +61 (0) 7 3221 4811

**Email:** [info@metromining.com.au](mailto:info@metromining.com.au)

**Website:** [www.metromining.com.au](http://www.metromining.com.au)

## BOARD OF DIRECTORS

Mr Stephen Everett | Independent Non-Executive Chairman  
Mr Jijun Liu | Non-Executive Director  
Mr Dongping Wang | Non-Executive Director  
Mr Ken Xiao | Alternate NED to Mr Liu  
Mr Xiaoming Yuan | Alternate NED to Mr Wang  
Mr Philip Hennessy | Independent Non-Executive Director  
Mr George Lloyd | Independent Non-Executive Director  
Mr Lindsay Ward | Independent Non-Executive Director



# 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 Metro Mining 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 Metro Mining has not independently verified the information. Metro Mining 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 Feasibility 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 Bauxite Hills Project.**

The 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.

The information in this report that relates to Mining and Reserves is based on information compiled by MEC Mining and reviewed by Maria Joyce, a Competent Person who is a Chartered Engineer of the Australasian Institute of Mining and Metallurgy. The information in this report to which this statement is attached that relates to the "Metro Mining – Bauxite Hills" Reserve Estimate based on information compiled by Maria Joyce, a consultant to Metro Mining and a Competent Person who is a Chartered Engineer of the Australasian Institute of Mining and Metallurgy. Maria Joyce is the head of the Technical Services division and full-time employee of MEC Mining Pty Ltd. Maria Joyce 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 for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Maria Joyce consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.