

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Metro Mining Limited

ABN

45 117 763 443

Quarter ended ("current quarter")

30-Sep-16

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	195	195
1.2 Payments for		
(a) exploration & evaluation	(96)	(96)
(b) development	(1,238)	(1,238)
(c) production		
(d) staff costs	(345)	(345)
(e) administration and corporate costs	(276)	(276)
1.3 Dividends received (see note 3)		
1.4 Interest received	15	15
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,745)	(1,745)
2 Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(7)	(7)
(b) tenements (see item 10)		
(c) investments	(8,700)	(8,700)
(d) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)	55	55
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(8,652)	(8,652)
3 Cash flows from financing activities		
3.1 Proceeds from issues of shares	8,946	8,946
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(564)	(564)
3.5 Proceeds from borrowings	8,500	8,500
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.1 Net cash from / (used in) financing activities	16,882	16,882

4 Net increase / (decrease) in cash and cash equivalents for the		
4.1 Cash and cash equivalents at beginning of period	2,684	2,684
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,745)	(1,745)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(8,652)	(8,652)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	16,882	16,882
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	9,170	9,170

	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter	Previous quarter
		\$A'000	\$A'000
5.1	Bank balances	2,050	1,453
5.2	Call deposits	7,120	1,231
5.3	Bank overdrafts		-
5.4	Other (provide details)		-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,170	2,684

6 Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Directors fees

Current quarter
\$A'000

82

-

7 Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

-

-

Financing facilities available

8

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

Total facility amount at quarter end	Amount drawn at quarter end
\$A'000	\$A'000
8,500	8,500
-	-
-	-

Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

The loan facility is a short term unsecured loan facility with lender Bafflebox Mining Trust. It has an interest rate of 8% for the first 3 months, rising to 10% after 3 months.

As at 30 September 2016, Metro was in negotiations with other lenders with regards to financing a fully funded bid for Gulf Alumina Ltd. Refer to Metro's ASX announcement dated 25 October 2016.

9 Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	113
9.2 Development	1,495
9.3 Production	
9.4 Staff costs	284
9.5 Administration and corporate costs	859
9.6 Other - Interest and financing costs	1,168
9.7 Total estimated cash outflows	3,919

10 Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EPC 2234, Surat Basin, Qld	100%	3 sub-blocks	nil
	EPM 15012, Cape York, QLD (*)	100%	14 sub-blocks	nil
	EPM 15077, Cape York, QLD (*)	100%	15 sub-blocks	nil
	EPM 15173, Cape York, QLD (*)	100%	16 sub-blocks	nil
	EPM 15263, Cape York, QLD (*)	100%	12 sub-blocks	nil
	EPM 15269, Cape York, QLD (*)	100%	55 sub-blocks	nil
	EPM 15277, Cape York, QLD (*)	100%	20 sub-blocks	nil
	EPM 15374, Cape York, QLD (*)	100%	33 sub-blocks	nil
	EPM 15375, Cape York, QLD (*)	100%	53 sub-blocks	nil
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EPM 25877, Cape York, QLD (*)	100%	nil	50 sub-blocks
	EPM 25878, Cape York, QLD (*)	100%	nil	86 sub-blocks
	EPM 25879, Cape York, QLD (*)	100%	nil	82 sub-blocks

(*) These tenements were conditionally surrendered in exchange for the 3 new EPMs granted this quarter disclosed in 10.2. The area and number of sub-blocks covered by the conditionally surrendered tenements and those granted in their place are the same.

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Sign here:[Signature on file].....
(Director/Company secretary)

Date:28.October 2016.....

Print name: ..Scott Waddell.....

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.