

6 April 2016

METRO'S SECOND SUPPLEMENTARY BIDDER'S STATEMENT

*Metro Mining Limited ACN 117 763 443 (**Metro**) encloses a copy of Metro's second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) dated 6 April 2016 in relation to Metro's off-market takeover bid for all the ordinary shares in Gulf Alumina Limited ACN 108 086 371 (**Gulf**).*

A copy of the Second Supplementary Bidder's Statement has been lodged with ASIC, was sent to Gulf today and will now be dispatched to those Gulf shareholders who have not accepted the Offer.

Further Information

For further information, contact Metro on +61 7 3009 8000.



SECOND SUPPLEMENTARY BIDDER'S STATEMENT

In relation to the Offer by
METRO MINING LIMITED
to acquire **ALL** of your shares
IN GULF ALUMINA LIMITED

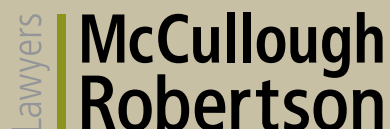
THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about how to deal with this document, you should contact your legal, financial, tax or other professional advisor immediately.

FINANCIAL ADVISER
Argonaut Capital Limited



LEGAL ADVISER
McCullough Robertson Lawyers



SECOND SUPPLEMENTARY BIDDER'S STATEMENT

Introduction

This document is the second supplementary bidder's statement issued by Metro Mining Limited ACN 117 763 443 (**Metro**) to the bidder's statement lodged with ASIC and ASX on 10 December 2015 and dated 24 December 2015 (**Original Bidder's Statement**), and the supplementary bidder's statement dated and lodged with ASIC and ASX on 4 February 2016 (**Supplementary Bidder's Statement**) in relation to Metro's off-market takeover offer (**Offer**) for all of the ordinary shares in Gulf Alumina Limited ACN 108 086 371 (**Gulf**) (**Second Supplementary Bidder's Statement**). It is dated 6 April 2016 and is given under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

This Second Supplementary Bidder's Statement supplements, and should be read together with, the Original Bidder's Statement and the Supplementary Bidder's Statement. This document will prevail in the event of any inconsistency with the Original Bidder's Statement and the Supplementary Bidder's Statement.

Unless the context requires otherwise, terms defined in the Original Bidder's Statement or the Supplementary Bidder's Statement have the same meaning where used in this document. Some additional defined terms are included on page 15.

Takeovers Panel update

On 15 February 2016, Metro lodged an application with the Takeovers Panel (**Panel**) for a declaration of unacceptable circumstances (**Application**). Particulars of the Application are described in the Panel's media release on 16 February 2016 (http://www.takeovers.gov.au/content/Media_Releases/2016/downloads/MR16-15.pdf).

On 15 March 2016, in response to the Application, the Panel made a declaration of unacceptable circumstances, as well as final orders requiring Gulf to, among other things, issue additional disclosure by way of a Supplementary Target's Statement. The Panel's full reasons for its decision will be published on the Panel's website in due course.

Intention to extend Offer Period

Metro expects that the independent expert's report commissioned by Gulf is due to be provided on or about the same date on which Metro's takeover bid is currently due to close, being Friday, 15 April 2016. Metro confirms that it intends to extend the Offer Period under its takeover bid to allow Gulf Shareholders a reasonable opportunity to consider the findings presented in the independent expert's report.

Improved Offer - Invalid variation of Offer and restated commitment

Metro has been advised by ASIC that the notice of variation of Offer that Metro lodged with ASIC and announced to ASX on 23 March 2016 (**Notice**) in relation to the improved offer of 3.5 Metro shares for every one Gulf share (**Improved Offer**) is invalid and ASIC has, as a result, not registered the Notice. The Improved Offer is subject to:

- Metro having a relevant interest in more than 50% of all Gulf shares before the end of the Offer Period, which unless extended further, will end at 7.00pm on 15 April 2016 (**Minimum Acceptance Condition**¹); and
- there being no change to Gulf's capital structure other than as a result of the exercise of options already on issue over ordinary shares in Gulf (**No Dilution Condition**),

(collectively, the **Improved Offer Conditions**).

Metro therefore advises Gulf Shareholders that the Notice should be ignored in its entirety.

Notwithstanding the above, Metro affirms its intention to improve the Offer in accordance with its announcement of 23 March 2016, subject to the Improved Offer Conditions. To provide further certainty to Gulf Shareholders, Metro will seek relief from ASIC to improve its Offer on the terms of this announcement. Until ASIC relief is obtained, or the Improved Offer Conditions are satisfied, the Improved Offer does not constitute a variation of the Offer. However, consistent with ASIC's 'truth in takeovers' policy, Metro considers itself bound by this intention.

Further, Metro now announces that the No Dilution Condition will only apply until the Minimum Acceptance Condition is satisfied. In other words, if Metro was to obtain a relevant interest in more than 50% of the Gulf shares on issue, provided that there has been no change to Gulf's capital structure before that time, Metro will improve its Offer to 3.5 Metro shares for every Gulf share.²

Further information on Metro's intention to make the Improved Offer is outlined further on page 11.

Any Gulf Shareholders that accept Metro's Offer will be guaranteed to receive at least the original Offer consideration of 3.3 Metro shares for every one Gulf share, and the opportunity to benefit from Metro's Improved Offer, should the Improved Offer Conditions be satisfied (or waived).

¹ For the purpose of the Minimum Acceptance Condition, Metro will include any Gulf shares the subject of the Acceptance Facility in the calculation of its relevant interest in Gulf Shares, as if it had a relevant interest in those shares.

² If the No Dilution Condition becomes incapable of being satisfied (for example, because Gulf issues shares under a placement) Metro will announce its intention to rely on the condition such that the Improved Offer would not be made, or otherwise waive it, on or before the date that the Minimum Acceptance Condition is satisfied.

KEY DEVELOPMENTS AND NEW INFORMATION

Since the release of the Supplementary Bidder's Statement on 4 February 2016, the following significant developments have taken place:

1. Gulf's Supplementary Target's Statement – Corrections and admissions

Gulf's updated disclosure reveals significant differences to its original Target's Statement

- Gulf's financial position is extremely weak
- Gulf's project development has again been delayed
- Gulf's 'Final' DFS does not meet recognised industry standards
- Gulf has retracted statements that directly relate to the value of Gulf

2. Gulf's Original Target's Statement – Incorrect claims

Gulf's key claims in relation to Metro and Metro's Offer are not correct

- Metro is not 'landlocked' nor reliant on Gulf
- Metro's permitting pathway is clear and rapidly progressing
- A Metro / Gulf merger will not require any new EIS

3. Metro's all scrip merger Offer – Unconditional and compelling

Metro's Offer continues to provide Gulf Shareholders an attractive alternative to owning Gulf Shares

- Metro believes there to be material merger synergies[#]
- Enhanced merger ratio possible under the Improved Offer
- Favourable Merged Group ownership outcome
- Metro Shares are listed on ASX, providing liquidity and re-rating upside

4. Gulf's capital structure – Metro to become Gulf's largest shareholder

Metro will emerge as Gulf's largest shareholder

- Numerous Gulf Shareholders have accepted Metro's Offer
- Metro currently has a 22.1% relevant interest in Gulf
- Metro's ownership position in Gulf will further increase with additional acceptances

[#]See page 10 for further information.

Given these key developments and new facts, Metro believes you should carefully review the further information contained in this document. After reading this information, should you consider that Metro's Offer provides the best opportunity to realise value for your Gulf Shares, Metro encourages you to accept its Offer without delay.

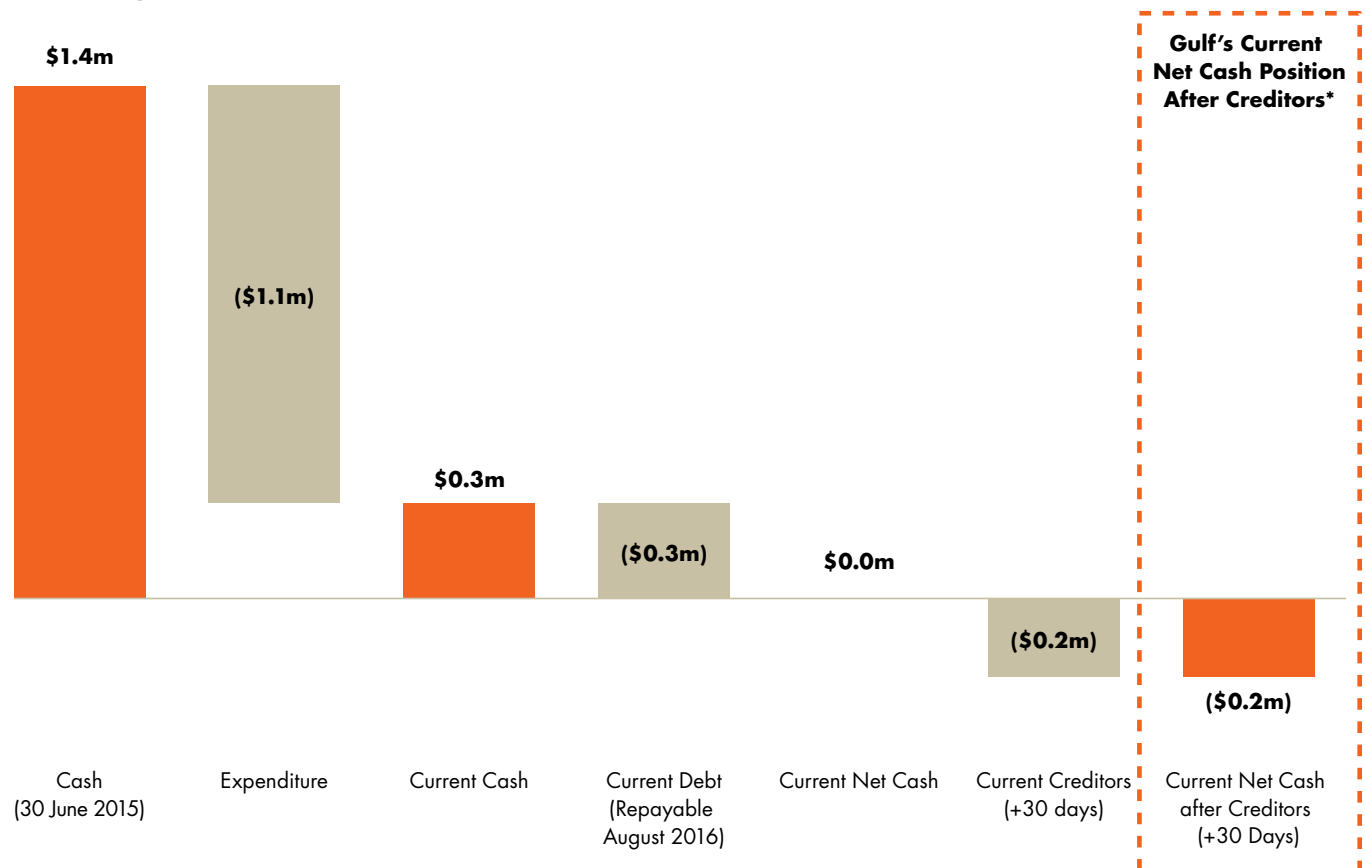
GULF'S SUPPLEMENTARY TARGET'S STATEMENT

Gulf's financial position

Gulf stated in its Target's Statement dated 6 January 2016 that there were '...no material changes to the financial position of Gulf since June 2015.'

Gulf now reveals its financial position has materially deteriorated, resulting in Gulf having negative net cash.

Gulf cash position



*Gulf's current net cash position after creditors does not include liabilities to creditors that are less than 30 days owing or an amount of approximately \$48,400, which has accrued to Gulf's Managing Director, Weidong Zhang, but has not yet been invoiced to Gulf. The inclusion of these extra items would further decrease Gulf's current net cash position.

Gulf's newly disclosed financial position is concerning, especially given it appears Gulf has not been able to raise any meaningful new finance since May 2014.

Metro, in contrast, has no debt, had net cash of approximately \$5.3 million as at 31 December 2015 and successfully raised \$5.6 million in July 2015.

As announced by Metro on 8 March 2016, Metro has also corresponded with the Gulf Board about providing Gulf with short term funding in connection with the Gulf Board supporting a Metro offer, which Metro strongly believes the Gulf Board should consider.

Gulf's development track record

Gulf also stated in its Target's Statement dated 6 January 2016 that EA approval would be received between March to April 2016 and that construction would commence in July 2016.

Despite these statements being made only two months ago, Gulf has now revealed that its development schedule has suffered further delays. As shown in the table below, this is at least the eighth time since 2011 that Gulf has failed to meet its development schedule.

In addition, Gulf's mining licences have expired and have not been renewed in the 'ordinary course of business' as Gulf, in its Target's Statement, stated would occur.

As a result, Metro considers the latest claims by Gulf in relation to the timing of, and ability to achieve, project development deadlines should be viewed with caution.

Date	Stated goal	Achieved?
2011	'Plant start up expected to commence in early 2012' Gulf website	No
September 2012	'production scheduled for Q3 2013' Gulf investor presentation	No
March 2013	'Scheduled to commence construction late 2013' Gulf investor presentation	No
July 2015	'EA... end of Q1 2016' Gulf letter to shareholders	No
December 2015	'EA... approval is due in March/April 2016' Gulf letter to shareholders	No
January 2016	'Mining Leases... to be renewed in ordinary course' Gulf Target's Statement	No
January 2016	'EA approval March or April 2016' Gulf Target's Statement	No
January 2016	'construction in May 2016' Gulf Target's Statement	No
March 2016	'all regulatory approvals... granted June 2016' Gulf First Supplementary Target's Statement	?
March 2016	'Mine and wharf loading construction July 2016' Gulf First Supplementary Target's Statement	?

Furthermore, after approximately seven years of project ownership, Gulf still has not secured any land access or land compensation agreement with the trustee owners of the land.

In contrast, Metro has agreed both a native title and a land access agreement in relation to Metro's project.

Gulf's new development timetable

Gulf has stated in its Supplementary Target's Statement that it expects 'all regulatory approvals [will be] granted by June 2016' and that construction (subject to obtaining finance) could commence in July 2016, but this appears unlikely.

This is because Gulf has failed to recognise that, even if it did have the basis for an EA in June 2016, which it admits in its Supplementary Target's Statement is uncertain, it will take several months to obtain an approved EA (and the resulting construction approval) given the statutory permitting processes and regulated timeframes, which includes both Federal and State minister sign-off.

As such, unless Gulf has received special government waivers, based on regulated timeframes, the earliest Gulf could expect to receive all regulatory approvals would be mid-September 2016, as shown in the table below.

Process	Regulated timeframe (business days)	Regulated date
EIS stage		
Supplementary EIS submission	n/a	22 March 2016
DEHP adequacy assessment	20	22 April 2016
DEHP provide notice of decision	10	6 May 2016
DEHP prepare assessment report	30	17 June 2016
DOTE Minister sign-off	30	29 July 2016
Mining licence stage		
DEHP provide notice of draft EA to relevant parties	5	5 August 2016
Relevant parties may object to the draft EA	20	2 September 2016
Land Court or final EA	10	16 September 2016

The timeline above assumes that Gulf can agree a land access agreement within the next 60 days and avoid the matter of land compensation being referred to the Land Court, which would inevitably result in further delays.

Even if Gulf was to receive all necessary regulatory approvals by mid-September 2016, this would only be three to four months earlier than the date by which Metro expects to receive all of its necessary regulatory approvals.

Furthermore, given Metro's construction plan is three months shorter than Gulf's, Metro and Gulf will commence production at approximately the same time, assuming both Metro and Gulf secure finance.

Gulf's 'Final' DFS

Gulf has outlined, in its Supplementary Target's Statement, a DFS summary that reveals key aspects of Gulf's 'Final' DFS are inconsistent with key industry standards.

Set out below is a comparison of Gulf's 'Final' DFS to an industry standard DFS checklist, along with a snapshot of key flaws that Metro has identified with Gulf's 'Final' DFS.

DFS checklist	Gulf's DFS
1. Independent oversight and verification?	No
<ul style="list-style-type: none"> No independent specialist has been engaged to manage or verify the DFS Instead, the DFS is reliant on Gulf's management who appear to lack the requisite experience and qualifications to undertake a DFS 	
2. Consistent with JORC?	No
<ul style="list-style-type: none"> LOM production exceeds stated Reserves by over 20% Production above Reserves reliant on Inferred Resources, the lowest level of resource estimation confidence This directly contradicts JORC guidelines, which specify that Inferred Resources are '<i>not sufficient to allow the result of the application of technical and economic parameters to be used for detailed planning in... [a DFS]</i>' No competent person has consented to the LOM production used in the DFS 	
3. Consistent with EIS?	No
<ul style="list-style-type: none"> LOM production exceeds tenement Reserves covered in the EIS application by ~40% 	
4. Robust assumptions?	No
<ul style="list-style-type: none"> Preliminary cost estimates are used for mining No tendering for key transshipment contract is provided Working capital for short term deposits required for production are excluded No independent product quality analysis or pricing assumptions undertaken 	
5. Error free?	No
<ul style="list-style-type: none"> The total royalty amount payable (i.e. 12.1%) appears to be understated Once the statutory 10% government royalty is deducted, the remaining 2.1% royalty is not adequate to cover Gulf's royalty agreement with RSI and the typical traditional owner royalty of between 2.5% and 3.0% 	
6. Level of accuracy confirmed?	No
<ul style="list-style-type: none"> Gulf is silent on the level of accuracy for key inputs The industry standard minimum of +/- 15% accuracy is not confirmed 	

Given the above, it appears to Metro that Gulf's 'Final' DFS is not to industry standards for a definitive feasibility study and is unlikely to be 'bankable', meaning it is not of a standard that can be relied upon by third parties for the purposes of deciding whether to provide finance to Gulf.

Gulf's infrastructure requirements

Gulf claimed in its Target's Statement that access to legacy infrastructure on its tenements would adequately serve the planned mining operations. For example, Gulf stated in its Target's Statement that 'existing haul roads adequately serve the project' and that Gulf has 'access to a port'.

However, Gulf now reveals this is not the case and that substantial upgrades and new infrastructure are required for mining operations, with Gulf's 'Final' DFS showing total capital expenditure for infrastructure is expected to exceed \$40 million.

This fact is supported by Gulf's EIS, which reveals the current camp (not owned by Gulf) is likely to be demolished, haul roads require significant upgrading and extending, a barge load out / wharf with a conveyor and ship loader needs to be built, along with a new airstrip.

Required infrastructure	Gulf's EIS Statements
Camp	'...most of the current camp is likely to be demolished'
Road	'The haul road will be upgraded... upgrade will include raising the height of the road and construction of... culverts as sections of the current road flood' 'The haul road will be extended south'
Port	'infrastructure will be constructed... for loading of bauxite onto barges'
Airstrip	'new airstrip will be located... to the south of the existing airstrip'

Additional Gulf corrections and admissions

Gulf in its Supplementary Target's Statement also corrected a number of key statements it has previously made, including those set out below.

<p>Off-take</p> <ul style="list-style-type: none"> Gulf originally stated it had committed off-take agreement in place However, Gulf has now confirmed its arrangement is not binding and not consistent with a traditional off-take – instead it provides the counterparty with a first right of refusal to buy product
<p>Development arrangements</p> <ul style="list-style-type: none"> Gulf originally stated it was in advanced discussions regarding a 'fund-build-operate' development plan However, Gulf no longer refers to any advanced discussions, and Metro now queries if these discussions have failed to materialise
<p>Funding arrangements</p> <ul style="list-style-type: none"> Gulf originally stated it was progressing multiple funding alternatives However, Gulf has now confirmed that these alternatives do not exist

2. Metro is not reliant on Gulf

- Gulf states in its Target's Statement that Metro's capital expenditure may be "...substantially higher... if unable to agree to use Gulf infrastructure..."
- However, Metro's DFS (and subsequent PFS for an expanded production scenario) is standalone and not reliant on Gulf's legacy infrastructure
- This is confirmed by Gulf in its EIS application in October 2015, which states "...[Metro's] project includes a new barge loading facility on the Skardon River... workers camp and haul road transport corridor."

3. Metro's permitting pathway is clear

- Gulf stated in its Target's Statement that Metro "...may be unable to carry out development in the environmental sensitive areas."
- However, Metro's permitting pathway is clear and is in fact enhanced by precedent mining activities and environmental disturbance on Gulf's tenements
- Furthermore, Metro has included significant environmental offsets in its development plan
- Metro's native title and land access agreements with the traditional owners and trustee owners of the land further demonstrate that Metro's strategy is to care for and protect the local environment
- Another important and differentiating feature of Metro's development plan is that, unlike Gulf's, it does not require bed levelling of the Skardon River, which Metro understands is a key concern for traditional owners and trustee owners
- Metro has received the final terms of reference for its EIS ahead of schedule in February 2016 and is rapidly progressing towards submitting its EIS

4. A Metro / Gulf merger does not require a new EIS

- Gulf states in its Target's Statement that a successful merger could result in "...a plan to amend or lodge a joint EIS application [which would] delay commencement of Gulf's project."
- Based on expert advice, Metro believes there is no requirement to amend or lodge a new joint EIS application, and that separate EIS approvals can be held by the Merged Group
- On that basis, should Metro gain control of Gulf, it intends to ensure the Gulf EIS process continues as planned

METRO'S OFFER TO GULF SHAREHOLDERS

Compelling alternative

Metro believes its Offer presents a compelling alternative for Gulf Shareholders rather than remaining a shareholder in Gulf as a standalone entity for several key reasons outlined below.

Merger synergies

Given the adjacent, contiguous and complementary nature of both Metro and Gulf's projects, Metro believes a merger would unlock meaningful synergies for shareholders of the Merged Group.

Metro's internal analysis has identified that sizeable synergies could be realised through both the removal of duplication and the enhanced operational efficiency able to be delivered by a single mining operation and corporate entity.

Metro's analysis also indicates that the majority of these synergies are unique to a merger of Metro and Gulf, given the proximity and complementary nature of both Metro and Gulf's projects.

A breakdown of the synergy benefits is outlined below.

Opex

Metro considers that the Merged Group could achieve cost savings through both the removal of duplication and enhanced operational efficiency in key areas including:

- mining;
- transshipment;
- plant and equipment;
- labour; and
- logistics.

Revenue

Metro believes the Merged Group will be able to increase the sale price per tonne achieved through:

- a single marketing structure;
- increased marketing relevance; and
- avoidance of Metro and Gulf, as standalone entities, having to compete with one another for product sales and therefore potentially having to accept less favourable terms.

Metro also considers there to be opportunity to generate additional revenue by way of the removal of industry standard 'buffer zones' between respective standalone mining operations and tenement boundaries, which could enable increased ore reserves to be mined and subsequently sold.

Capex

Metro considers that the Merged Group could achieve reduced capital expenditure based on the removal of duplication in key areas including:

- barge loading facility and infrastructure;
- camp infrastructure;
- roads;
- communications systems;
- navigational aids and moorings; and
- mobilisation and insurance.

Corporate

Metro believes that the Merged Group could benefit from reduced corporate expenses based on cost savings being achieved through the removal of duplication, particularly as a result of:

- consolidated offices;
- a single board and management team; and
- the removal of duplicated administrative, taxation, legal and regulatory costs.

Pre-development

Metro believes that the Merged Group could benefit from reduced pre-development expenditure through the removal of duplicated costs in key areas including:

- detailed engineering design work;
- establishment of internal systems and procedures;
- establishment of indigenous workforce participation and training; and
- environmental bonding due to a reduced operational footprint.

Metro has provided the independent expert engaged by Gulf with the detailed analysis supporting its assessment of these merger synergies. The independent expert will form its own view regarding the existence of these merger synergies in due course, which Gulf Shareholders should consider carefully.

Improved Offer

As previously stated Metro is in the process of seeking relief from ASIC to improve its Offer to 3.5 Metro shares for every one Gulf share (**Improved Offer**), subject to:

- Metro having a relevant interest in more than 50% of all Gulf shares before the end of the Offer Period, which unless extended further, will end at 7.00pm on 15 April 2016 (**Minimum Acceptance Condition**³); and
- there being no change to Gulf's capital structure other than as a result of the exercise of options already on issue over ordinary shares in Gulf (**No Dilution Condition**),

(collectively, the **Improved Offer Conditions**).

Metro has also advised that the No Dilution Condition will only apply until the Minimum Acceptance Condition is satisfied. In other words, if Metro was to obtain a relevant interest in more than 50% of the Gulf shares on issue, provided that there has been no change to Gulf's capital structure before that time, Metro will improve its Offer.⁴

Any Gulf Shareholders that accept Metro's Offer will be guaranteed to receive at least the original Offer consideration of 3.3 Metro shares for every one Gulf share, and will also gain the opportunity to benefit from Metro's Improved Offer, should the Improved Offer Conditions be satisfied (or waived).

Gulf Shareholders who would be minded to accept the Improved Offer (but not the current Offer) may indicate their intention to do so by lodging their Acceptance Form with the Acceptance Facility that Metro has established. Full details on how to do so are set out on page 13.

Favourable Merged Group ownership

Metro's all scrip Offer provides Gulf Shareholders with favourable ongoing ownership of the Merged Group, along with all its benefits relative to Gulf.

Under the Improved Offer, should a merger of Gulf and Metro be completed, Gulf Shareholders will own approximately 46% of the Merged Group.

Metro considers this to be a favourable outcome for Gulf Shareholders when taking into consideration a range of factors, and especially given Metro is listed on ASX and Gulf is unlisted.

This belief is supported by the widely accepted premise that listed entities typically trade at a meaningful premium when compared to their unlisted counterparts, given the value investors typically place on liquidity, the enhanced disclosure requirements and corporate governance standards that come with listed companies, the enhanced ability of listed companies to access funding, and given the valuation discount required to attract investors to support the listing of an unlisted company, along with the general costs involved with listing an unlisted company.

³ For the purpose of the Minimum Acceptance Condition, Metro will include any Gulf shares the subject of the Acceptance Facility in the calculation of its relevant interest in Gulf Shares, as if it had a relevant interest in those shares.

⁴ If the No Dilution Condition becomes incapable of being satisfied (for example, because Gulf issues shares under a placement) Metro will announce its intention to rely on the condition such that the Improved Offer would not be made, or otherwise waive it, on or before the date that the Minimum Acceptance Condition is satisfied.

Other benefits

Metro believes that Metro's Offer provides you with a range of other benefits relative to remaining a Gulf Shareholder as highlighted by the table below.

	Gulf	Metro
Proven permitting expertise	No	Yes
Proven project development and operational expertise	No	Yes
Agreed native title and land access	No	Yes
Independent and robust DFS	No	Yes
Net cash and debt free balance sheet	No	Yes
Off-take MOU	No	Yes
Transparent and continuous disclosure	No	Yes
ASX liquidity and re-rating upside	No	Yes
Well balanced share register	No	Yes
Proven funding capability	No	Yes

In addition to the above, no other proposal has emerged for Gulf shareholders to accept and Metro has become Gulf's largest shareholder with a current 22.1% interest.

ACCEPTANCE FACILITY

General

Metro has established an acceptance facility that is open to all Gulf Shareholders to facilitate the receipt of their acceptances (**Acceptance Facility**). The Acceptance Facility enables Gulf Shareholders that would accept the Improved Offer (should it be made) but who may not wish to do so until it is made (or unconditional in the event that ASIC grants relief to Metro to make the Improved Offer), to indicate their intention to accept the Improved Offer without being obliged to do so until it is made on an unconditional basis.

Operation of Acceptance Facility

The Acceptance Facility is operated by Pacific Custodians Pty Limited ACN 009 682 866 (AFSL number 295142), an independent third party acceptance facility operator (**Facility Agent**). The Acceptance Facility will be operated by the Facility Agent in accordance with the Gulf Shareholder Acceptance Facility terms of appointment (**Terms of Appointment**).

A Gulf Shareholder who would like to indicate their intention to accept the Improved Offer may lodge their duly completed appointment of Facility Agent form (**Appointment Form**) with the Facility Agent, along with the following:

- (a) if the Gulf Shareholder is the registered shareholder of its Gulf shares, a duly completed and executed Acceptance Form for the Improved Offer (**Acceptance Form**); or
 - (b) if the Gulf Shareholder's Gulf shares are held by a custodian (such as a nominee) (**Custodian**), a duly completed and executed direction to its Custodian in the form included with the Appointment Form (**Custodian Direction**),
- (collectively, the **Acceptance Instructions**).

An Acceptance Form and an Appointment Form (including a Custodian Direction) are included with this Second Supplementary Bidder's Statement. The Acceptance Form for the Acceptance Facility is the orange form.

The Facility Agent will hold each set of Acceptance Instructions it receives as custodian until it receives written confirmation from Metro that the Minimum Acceptance Condition has been (or will be, as soon as practical after all of the Acceptance Instructions received under the Acceptance Facility are validly processed or implemented, as appropriate) satisfied or waived and Metro has, or will, lodge a notice of variation in accordance with the terms of the Improved Offer, or declare the Improved Offer unconditional in the event that ASIC grants relief to Metro to make the Improved Offer (**Minimum Acceptance Notice**).

Metro need not lodge a Minimum Acceptance Notice if the No Dilution Condition becomes incapable of being satisfied and Metro does not announce the waiver of that condition before the Minimum Acceptance Condition is satisfied. If the No Dilution Condition becomes incapable of being satisfied before the Minimum Acceptance Condition is satisfied or waived Metro will announce its intention to either:

- (a) waive the No Dilution Condition; or
- (b) rely on the No Dilution Condition.

A Gulf Shareholder may also withdraw its Acceptance Instructions at any time before the Facility Agent receives a Minimum Acceptance Notice by giving written notice to the Facility Agent that it wishes to withdraw its Acceptance Instructions.

Once the Facility Agent receives a Minimum Acceptance Notice, the Facility Agent will deliver all Acceptance Instructions to Metro. At this point, each Gulf Shareholder who has lodged Acceptance Instructions with the Facility Agent will be entitled to receive the Improved Offer, along with all other Gulf Shareholders who accepted the original Offer.

Notification of receipt of Acceptance Instructions

Metro will treat any Gulf shares the subject of the Acceptance Facility as shares over which it has a relevant interest for the purpose of the disclosure requirements in Chapter 6 of the Corporations Act and for Metro's continuous disclosure obligations generally. In particular, consistent with section 654C of the Corporations Act (disclosures about substantial holdings in unlisted companies), Metro will disclose its voting power in Gulf consistent with section 654C of the Corporations Act, as if it had a relevant interest in the Gulf shares the subject of the Acceptance Facility.

When Metro discloses its voting power in that regard, it will do so in a way that distinguishes the Gulf shares the subject of the Acceptance Facility.

The Facility Agent will notify Metro before 8.30am (Sydney time) on the next Business Day after receiving a set of Acceptance Instructions, of:

- (a) the date of receipt of the Acceptance Instructions;
- (b) the identity of the Gulf Shareholder who has submitted the Acceptance Instructions;
- (c) if the Gulf Shareholder is a Custodian of the Gulf shares, the identity of the person giving the Custodian Direction; and
- (d) the number of Gulf shares included in the Acceptance Instructions.

The Facility Agent will also notify Metro if it receives a written request to withdraw a set of Acceptance Instructions.

Lodging Acceptance Forms with Metro

A Gulf Shareholder may also immediately accept the original Offer by lodging its Acceptance Form with Metro. Should the Improved Offer Conditions be satisfied or waived, the Gulf Shareholder will still be entitled to receive the Improved Offer.

Acceptance Facility agreement

The above is a summary of the terms of the Acceptance Facility and is subject to the Terms of Appointment. A copy of the Terms of Appointment will be provided to Gulf Shareholders upon request. Any Gulf Shareholder may request a copy from the Facility Agent by email at capitalmarkets@linkmarketservices.com.au.

Foreign Shareholders

A Foreign Shareholder who wish to indicate their intention to accept the Improved Offer may lodge their Acceptance Instructions with the Facility Agent, however if the Acceptance Instructions are delivered to Metro and Metro does not make a determination that a Foreign Shareholder can be issued Metro Shares, Metro will follow the process set out in section 10.8 of the Bidder's Statement and the Foreign Shareholder will receive a cash amount equal to the consideration under the Improved Offer in accordance with clause 2.2 of the terms of the Offer (set out in Schedule 1 of the Bidder's Statement).

ADDITIONAL INFORMATION

Consents to be named

Pacific Custodians Pty Limited ACN 009 682 866 has given its consent to being named in this Second Supplementary Bidder's Statement in the form and context in which it is named and has not withdrawn this consent prior to lodgement of this Second Supplementary Bidder's Statement with ASIC.

This consent has been given on the basis that: (a) it did not authorise or cause the issue of; or (b) make or purport to make any statement in, this Second Supplementary Bidder's Statement.

Definitions

In this Second Supplementary Bidder's Statement:

Term	Definition
Acceptance Facility	means the Acceptance Facility established by Metro, as described on page 13.
Acceptance Form	means the form of acceptance and transfer accompanying this Second Supplementary Bidder's Statement.
Acceptance Instructions	has the meaning given to that term on page 13.
AFSL	means Australian Financial Services Licence.
Appointment Form	means the appointment of Facility Agent form which accompanies this Second Supplementary Bidder's Statement.
Facility Agent	has the meaning given to that term on page 13.
Minimum Acceptance Notice	has the meaning given to that term on page 13.
Improved Offer	has the meaning given to that term on pages 1 and 11.
Improved Offer Conditions	has the meaning given to that term on pages 1 and 11.
Terms of Appointment	means the Gulf Shareholder Acceptance Facility terms of appointment.

Approval of Second Supplementary Bidder's Statement

This Second Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the directors of Metro.

Dated 6 April 2016

Signed by Stephen Everett for and on behalf of Metro

A handwritten signature in black ink, appearing to be 'S. Everett', written in a cursive style.

Stephen Everett
Metro Mining Limited
Chairman

ACCEPTANCE FORMS

ACCEPTANCE FORM FOR THE ORIGINAL OFFER



A Your name

Your holding

Gulf Shares held as at the Register Date

If your holding has changed between the Register Date and time of acceptance, then write your current holding here and initial your amendments. Your acceptance will in any event apply in respect of the number of Gulf Shares that you specify below.

This is an important document. If you are in doubt as to how to complete this Acceptance Form, please consult your financial or other professional adviser immediately.

Transfer and Acceptance Form

This is a personalised form for the sole use of the holder and holding recorded above. **Use this form only to accept the original Offer by Metro for any or all of your Gulf Shares.** If you wish to indicate your acceptance for the Improved Offer, please use the Acceptance Form for the Improved Offer. You should read the entire Second Supplementary Bidder's Statement carefully before completing this form. Capitalised words used in this form have the meanings given to them in the Second Supplementary Bidder's Statement.

B You must return your Acceptance Form to accept the original Offer

If you correctly sign and return this form you will be deemed to have accepted the Offer in respect of the number of Gulf Shares that you specify below, on the Offer Terms. To be an effective acceptance, your form must be received by Metro by the end of the Offer Period which is 7.00pm (Sydney time) on 15 April 2016 (unless extended).

Offer Consideration – 3.3 Metro Shares for each Gulf Share that you own.

To accept the Offer you must either:

- (a) sign and return this Acceptance Form by mail to the mailing address shown overleaf;
- (b) sign and return this Acceptance Form by hand delivery at the hand delivery address shown overleaf; or
- (c) sign and return this Acceptance Form by email to the email address shown overleaf.

C Contact details

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.
Telephone number where you can be contacted during business hours Contact name

D You must specify the number of Gulf Shares you wish to accept the Offer in respect of

You can accept the Offer in respect of all of your Gulf Shares, or in respect of only some of your Gulf Shares. Please specify the total number of Gulf Shares you hold, as well as number of Gulf Shares that you wish to accept the Offer in respect of. You will be deemed to have accepted the Offer in respect of the number of Gulf Shares that you so specify, or if nothing is specified you will be deemed to have accepted in respect of all of your Gulf Shares.

Your total holding

The number of Gulf Shares you are accepting the Offer for

E You must check the box applicable to you

If you have your share certificate in respect of the Gulf Shares that you are accepting the Offer in respect of, you must provide this to Metro upon your acceptance of the Offer. If you do not have your share certificate in respect of the Gulf Shares that you are accepting the Offer in respect of, you may be required to give a statutory declaration to that effect, as required by Metro.

I/We, the person(s) named above, are in possession of the share certificate in respect of my/our Gulf Shares for which the Offer is being accepted, which is being provided to Metro upon my/our acceptance of the Offer.

I/We, the person(s) named above, are not in possession of the share certificate in respect of my/our Gulf Shares for which the Offer is being accepted, and confirm it has either been lost, or was never issued to me/us by Gulf, and I hereby authorise Metro to make those representations to Gulf on my/our behalf and seek the issue of a replacement share certificate.

F You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of the Gulf Shares I/we have specified above and hereby agree to transfer to Metro all my/our Gulf Shares for the consideration specified in the Offer, and on the terms and conditions of the Offer as set out in the Bidder's Statement. By submitting this form I/we declare that all details and statements made by me/us are complete and accurate.

Shareholder 1 (Individual)

Shareholder 2 (Individual)

Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director

Secretary/Director (delete one)

The directors of Metro reserve the right to make amendments to this form where appropriate.

Please refer overleaf for further important instructions



FURTHER IMPORTANT INSTRUCTIONS

To accept the Offer, you must complete and return this Acceptance Form to Metro in accordance with the instructions in this Acceptance Form.

For further information please refer to the Bidder's Statement dated 10 December 2015, the Supplementary Bidder's Statement dated 4 February 2016 and the Second Supplementary Bidder's Statement which accompanies this Acceptance. Unless the context requires otherwise, capitalised terms used in this form have the same meanings given to them in the Second Supplementary Bidder's Statement.

By submitting this form, you agree to accept the Offer on the Offer Terms set out in the Bidder's Statement (or any supplementary bidder's statement).

Completion instructions

A Please check the front page to ensure that your name and address are correct. If any of these details are incorrect, please write in your correct details and initial the amendments that you make.

Please note your consideration will be issued in the name(s) exactly as stated on the Gulf share register.

B Please sign this Acceptance Form in the places for signature(s) set out on the front page and in accordance with the following instructions:

- (a) Joint Shareholders: If your Gulf Shares are held in the names of more than one person, all those persons must sign this Acceptance Form.
- (b) Corporations: This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
- (c) Powers of attorney: If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
- (d) Deceased Estates: All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by Metro for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to Metro's professional advisers, printing and mailing providers and other third parties in connection with the Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable under the Offer. You have rights to obtain access to the personal information which you have supplied in connection with the Offer.

Lodgment instructions

Mail, deliver or email the completed Acceptance Form(s) and any other documents required by the above instructions to:

Mailing address

Metro Mining Limited
(Gulf Alumina Limited Takeover)
PO Box 10955
Adelaide Street
Brisbane QLD 4000

or Hand delivery

Metro Mining Limited
(Gulf Alumina Limited Takeover)
Level 8
300 Adelaide Street
Brisbane QLD 4000

or Email address

Scan or photograph and send a copy of the completed Acceptance Form to:
swaddell@metromining.com.au

A reply paid envelope is enclosed for use within Australia.

Your acceptance must be received by no later than the end of the Offer Period, which is 7.00pm (Sydney time) on the last day of the Offer Period, being 15 April 2016 (unless otherwise extended by Metro).

**If you have any questions about the terms of the Offer or how to accept, please call
+ 61 7 3009 8000 between 10.00am and 5.00pm (Sydney time).**



FURTHER IMPORTANT INSTRUCTIONS

To indicate your acceptance for the Improved Offer, you must complete and return this Acceptance Form **to the Facility Agent** in accordance with the instructions in this Acceptance Form.

For further information please refer to the Bidder's Statement dated 10 December 2015, the Supplementary Bidder's Statement dated 4 February 2016 and the Second Supplementary Bidder's Statement which accompanies this Acceptance. Unless the context requires otherwise, capitalised terms used in this form have the same meanings given to them in the Second Supplementary Bidder's Statement.

By submitting this form, you agree to accept the Offer on the Offer Terms set out in the Bidder's Statement (or any supplementary bidder's statement).

Completion instructions

A Please check the front page to ensure that your name and address are correct. If any of these details are incorrect, please write in your correct details and initial the amendments that you make.

Please note your consideration will be issued in the name(s) exactly as stated on the Gulf share register.

B Please sign this Acceptance Form in the places for signature(s) set out on the front page and in accordance with the following instructions:

- (a) Joint Shareholders: If your Gulf Shares are held in the names of more than one person, all those persons must sign this Acceptance Form.
- (b) Corporations: This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
- (c) Powers of attorney: If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
- (d) Deceased Estates: All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.

Information you supply on this Acceptance Form will be used by Metro for the primary purpose of processing your acceptance of the Improved Offer and to provide you with the consideration payable under the Improved Offer. This information may be disclosed to Metro's professional advisers, printing and mailing providers and other third parties in connection with the Improved Offer. If you fail to supply this information, your acceptance may not be processed and you may not receive the consideration payable under the Improved Offer. You have rights to obtain access to the personal information which you have supplied in connection with the Improved Offer.

Lodgment instructions

Mail, deliver or email the completed Acceptance Form(s) and any other documents required by the above instructions to:

Mailing address

Gulf Shareholder Acceptance Facility
Pacific Custodians Pty Limited
Attention: Vaasa Afa
Level 15, 324 Queen Street
BRISBANE QLD 4000

or Email address

Scan or photograph and send a copy
of the completed Acceptance Form to:
capitalmarkets@linkmarketservices.com.au

A reply paid envelope is enclosed for use within Australia.

Your acceptance must be received by no later than the end of the Offer Period, which is 7.00pm (Sydney time) on the last day of the Offer Period, being 15 April 2016 (unless otherwise extended by Metro).

**If you have any questions about the terms of the Offer or how to accept, please call
+ 61 7 3009 8000 between 10.00am and 5.00pm (Sydney time).**

Gulf Shareholder Acceptance Facility

APPOINTMENT OF FACILITY AGENT FORM

To: Pacific Custodians Pty Limited
 C/- Link Market Services Limited (Attn: Vaasa Afa)
 Gulf Shareholder Acceptance Facility
 Level 15, 324 Queen Street, BRISBANE QLD 4000

Appointment of Facility Agent for Gulf Shareholder Acceptance Facility

1. I/we refer to the off-market takeover offer (**Offer**) made by Metro Mining Limited ACN 117 763 443 for all of the ordinary shares (**Shares**) in Gulf Alumina Limited ACN 108 086 371 (**Gulf**). I/we note that Metro has issued a bidder's statement in respect of the Offer, as well a supplementary bidder's statement and a second supplementary bidder's statement (together, the **Bidder's Statements**) and confirm that I/we have received and reviewed the Bidder's Statements in their entirety.
2. I/we are aware that Metro has announced its intention to vary the Offer, subject to certain conditions set out in the second supplementary bidder's statement (**Improved Offer Conditions**), to improve the Offer consideration from 3.3 Metro Shares for each Gulf Share that I/we hold, to 3.5 Metro Shares for each Gulf Share that I/we hold (**Improved Offer**).
3. I/we are also aware that Metro has established an acceptance facility for the purposes of receiving acceptances for the Improved Offer, should the Improved Offer Conditions be satisfied or waived by Metro and that Metro has appointed Pacific Custodians Pty Limited as bare trustee and operator of the acceptance facility (**Facility Agent**).
4. I/we have received a copy of the Gulf Shareholder Acceptance Facility Terms of Appointment (**Terms**) in accordance with which the Facility Agent will Act.
5. In respect of Gulf Shares in respect of which that I/we own (either legally or beneficially), I/we enclose either:
 - a. a duly completed and executed Acceptance Form in respect of Gulf Shares that I/we are the registered holders; or
 - b. a duly completed an executed Custodian Direction in respect of Gulf Shares of which I/we am/are the beneficial owners, direction my/our custodian to accept the Improved Offer.
6. The Acceptance Form or Custodian Direction (as applicable) is to be held by the Facility Agent on my/our behalf as acceptance facility collection agent subject to the Terms.
7. Acceptance Forms and Custodian Directions delivered to the Facility Agent do not constitute acceptances of the Improved Offer whilst they are held by the Facility Agent. By signing this letter, I/we acknowledge and agree to be bound by the Terms.

First/sole shareholder details (all shareholders to complete this section)

Last name/Company name:		
First name/ACN:		
Contact person:		
Address:		
Phone number:		
Email address:		
Total no. of Gulf Shares held:		No. of Shares in Acceptance Form:

Additional shareholders' details (to be completed if shares held jointly)

Second shareholder's name:	
Address:	
Phone number:	
Third shareholder's name:	
Address:	
Phone number:	

Signature: (Please note: this letter must be signed in the same way that the Acceptance Form is to be signed)

Shareholder/beneficial owner 1
(individual)

Shareholder/beneficial holder 2
(individual) (if applicable)

Shareholder/beneficial holder 3
(individual) (if applicable)

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Sole Director and Company Secretary

Secretary / Director (delete one)

Date:

PLEASE INCLUDE A DULY COMPLETED AND EXECUTED ACCEPTANCE FORM OR A DULY COMPLETED AND EXECUTED CUSTODIAN DIRECTION FORM WITH THIS APPOINTMENT FORM.

Gulf Shareholder Acceptance Facility

CUSTODIAN DIRECTION FORM

Please complete this form ONLY if your Gulf Shares are held by a Custodian (such as a nominee) and would like to direct your Custodian to accept the Improved Offer.

Your legal name(s):	
Custodian's legal name:	
Account code (if applicable):	
Custodian's contact person and address:	
Custodian's phone and email address:	
Total no. of Gulf Shares held by Custodian:	
Number of Gulf Shares for which you would like your Custodian to accept the Improved Offer: *	

*If this is left blank, you will be deemed to direction your Custodian to accept the Improved Offer for all of your Gulf Shares.

This Custodian Direction Form is to be read together with the Appointment of Facility Agent Form. Terms and expressions used in this form have the meaning provided in the Appointment of Facility Agent Form unless a contrary intention appears in this form.

I/we, the abovenamed party/parties, are the beneficial holder of the Gulf Shares held by the Custodian and have the power and capacity to direct the Custodian to sell and transfer the legal and beneficial ownership of these Gulf Shares.

I/we have provided Pacific Custodians Pty Limited with this duly completed and executed Custodian Direction Form and specific instructions in respect of the time in which this form should be delivered to the Custodian.

Pursuant to my/our custodial arrangements with the Custodian, upon receipt of this form, I/we hereby direct the Custodian to immediately accept the Improved Offer in respect of the number of Gulf Shares indicated above, by executing the relevant acceptance and transfer form and taking any other steps necessary to effect a transfer of these Gulf Shares to Metro, including delivering any share certificates for these Gulf Shares to Metro.

Signature: (Please note: this letter must be signed in the same way that the Acceptance Form is to be signed)

Shareholder/beneficial owner 1
(individual)

Shareholder/beneficial holder 2
(individual) (if applicable)

Shareholder/beneficial holder 3
(individual) (if applicable)

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Sole Director and Company Secretary

Secretary / Director (delete one)

Date: