



ANNUAL REPORT **2013**



MetroCoal Limited ABN 45 117 763 443

Full financial statements for the year to June 30, 2013, are available at www.metrocoal.com.au.

The Annual General Meeting of MetroCoal Limited will be held at 11:30 am on Friday 29 November 2013, at the offices of BDO (Audit) Pty Ltd, Level 10, 12 Creek Street Brisbane.

ABOUT US

MetroCoal Limited (ASX: MTE) is an Australian coal company focusing on coal projects in the Surat Basin in south-east Queensland.

The company holds an extensive portfolio of tenements in the Surat Basin. Initial exploration and analysis of historical exploration conducted over the tenements indicate the existence of prospective thermal coal seams located at depths ideally suited to conventional opencast and underground mining techniques.

MetroCoal is undertaking an extensive exploration and evaluation program to advance development and commercialisation of these thermal coal seams.

Since listing on the ASX in December 2009, MetroCoal has defined a total thermal coal Resource of 4.2 Billion tonnes within its Surat Basin tenements (Refer to Resource Table on Page 2).

MetroCoal's experienced team has considerable knowledge and expertise covering geology, financial management and investment, and business development.

BOARD OF DIRECTORS

Stephen Everett

Chairman

Andrew L Gillies

Non-Executive Director

John K Haley

Alternate Non-Executive Director

Michael K Hansel

Non-Executive Director

Lindsay Ward

Non-Executive Director

Wang Dongping

Non-Executive Director

Robert Finch

Alternate Non-Executive Director

MANAGEMENT TEAM

Mike O'Brien

Chief Executive Officer

Theo Psaros

Chief Operating Officer

Neil Mackenzie-Forbes

Columboola JV General Manager

Nicholas Villa

Project Manager

Ed Radley

Manager - Geology

REGISTERED OFFICE DETAILS

ADDRESS

Corner Lytton Road and Stafford Street
East Brisbane, Queensland 4169

T +61 7 3249 3040

F +61 7 3249 3041

ASX CODE

MTE

AUDITORS

BDO Audit (QLD) Pty Ltd

SHARE REGISTER

Link Market Services Limited

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Company Highlights

Very strong cash position

MetroCoal finished the 2013 financial year in a very strong cash position. Following a concerted effort to minimise cash spend, MetroCoal held approximately \$11.5 million.

Merger with Cape Alumina

On 25 September 2013 MetroCoal announced a proposal to merge with Cape Alumina Limited. The proposed merger is expected to create a Queensland-based, diversified bulk commodities company with a portfolio of major bauxite and thermal coal projects which will provide resilience through commodity cycles.

Bundi project continued to advance

The 2013 year saw significant activity for the Bundi thermal coal project. MetroCoal announced the completion of a scoping study in September 2012. This study confirmed the technical deliverability of longwall mining and showed a positive economic return.

Improved resource confidence and focus was achieved with further exploration work that consisted of strategic boreholes aimed at filling information gaps within the Bundi Project's resource target area. This program collected further positive geological, coal quality, gas and geotechnical data along with the installation of groundwater sampling and monitoring infrastructure. An extensive review of the geological model was also completed and this review confirmed the seam correlation and has identified several alternative mining horizons.

Consultation has continued with key stakeholders as part of the Environmental Impact Statement (EIS) process with a Board meeting and community consultation meeting held in Wandoan in August 2013.

Columboola JV makes solid progress

The 2013 year saw continued advances in the development of the Columboola JV project in partnership with SinoCoal Resources. Further exploration drilling was achieved and an open cut mining opportunity, Goombi, was identified. As disclosed in the table below an Indicated Resource of 95mt* was also announced to the market.

The Columboola JV project also announced during the year that QGC Pty Limited (QGC) was granted PL 458, a petroleum lease covering a portion of EPC 1165. Subsequently, a Co-Development agreement with QGC was finalised and the JV has a pathway to obtaining a mining lease over the Columboola project.

DADI Engineering increased its position in MetroCoal

During the year, MetroCoal was pleased to announce that its second largest shareholder, Dadi Engineering, had increased its shareholding from 19.9% to 22.9%. Dadi Engineering is one of China's largest coal services group and their continued support to MetroCoal is greatly appreciated.

New chairman appointed

Experienced mining executive Stephen Everett was appointed Independent Company Chairman, as announced to the ASX on July 12 2012. MetroCoal acknowledges the outstanding contributions of outgoing Company Chairman David Barwick who resigned for personal reasons.

Total resources of 4.2 billion tonnes

MetroCoal's total thermal coal resource inventory stands at 4.2 billion tonnes, well in excess of the 2009 Prospectus exploration target of between 2.5 and 3.5Bt.

Resources - MetroCoal Thermal Coal Resources & Reserves

Project	Resources (Mt*)				Reserves (Mt*)
	MTE Ownership	Indicated	Inferred	Total	
Columboola	49%	94.7	1,618	1,712.7	
Goombi	49%	4.9	13.8	18.7	26.2
Bundi	100%	246.3	1,315.8	1,562.1	
Dalby West	100%		520	520	
Juandah	100%	24.4	224	248.4	
Norwood	100%		156	156	
TOTAL		370.3	3,847.6	4,217.9	26.2

*Mt - Million Tonnes

Chairman's Letter



On behalf of the Board of Directors and Management of MetroCoal Limited, I am pleased to present to you the Company's Annual Report for the year ended June 30, 2013.

The 2013 year has been one of the most difficult for your Company as the coal industry in Australia faces significant headwinds. There is no doubt that developing projects

such as our Bundi and Columboola thermal coal assets face enormous challenges.

The combination of the decline in international coal prices, an Australian dollar that reached record levels and the high capital costs of developing key rail and port infrastructure all result in lower confidence in new thermal coal projects in the near term.

Despite this, the underlying driver for the growth of coal is the increasing demand for energy in the developing world has not changed and we, along with most commentators, foresee coal continuing to play a major role in meeting this increasing demand. Recent visits to China and India have reinforced this very strong outlook for seaborne thermal coal.

China in particular, has directed electricity generators to burn higher-quality coal to help reduce their particulate pollution. The quality of Surat Basin coal being high in energy and with excellent burn characteristics is particularly attractive to the Chinese generators. This move to higher quality coal is expected to provide a major boost for coal exported from Queensland.

There are also indications that some of the negatives affecting the sector may finally have turned the corner with the Australian dollar recently falling from its highs and many forecasters predicting further declines in the dollar. The drop off in new development in the mining industry and the coal seam gas industry passing its peak has taken some of the heat out of both capital and operating costs making us somewhat optimistic that the costs of developing and operating new projects in Australia will decrease.

We remain confident that thermal coal as a commodity, and hence our coal projects, have a sound long term future.

MetroCoal continued its prudent approach to expenditure in order to conserve our cash position while still adding value to the projects. We have finished the 2013 year with \$11.5 million and have ensured your Company remains financially healthy.

We were pleased in April to receive a vote of confidence from cornerstone investor Dadi Engineering, which increased its shareholding from 19.6% to 22.9%. Dadi Engineering is one of China's leading coal services groups and we thank them for their increased shareholding and support.

Throughout the year the Company had also been actively engaged in seeking joint venture participants for our Bundi project and also looking for other strategic opportunities in the coal and energy sector. Several substantial Chinese coal companies, introduced by Dadi Engineering, have expressed real interest in participating with us in Bundi. These discussions have stopped short of investment due in part to the depressed coal market but due also to the lack of rail infrastructure in the Surat Basin. In light of these challenges in the coal sector we broadened our search for new opportunities into other commodity sectors and on 25 September we announced our proposal to merge MetroCoal with Cape Alumina.

The proposed merger will create a Queensland-based, diversified bulk commodities company with a portfolio of major bauxite and thermal coal projects which will provide resilience through commodity cycles. The merger will also deliver significant benefits for both companies, including increased near-term development opportunities, a strengthened balance sheet, increased trading liquidity and enhanced access to capital markets.

With one of Australia's largest thermal coal resources and the attractive bauxite resources, MetroCoal is well positioned to benefit from the strength of the current bauxite market and the future turnaround in sentiment in the coal sector.

I would like to thank my fellow directors, management and staff for their hard work, loyalty and commitment this year which has seen us emerge in a strong position from this difficult period. I would like to thank our Columboola Joint Venture partner, SinoCoal Resources, for their support and understanding throughout this challenging year. We are very grateful to have a company of their stature working alongside us as we continue to advance this project.

I would also like to thank our existing shareholders for their support in 2013 and welcome our new shareholders in anticipation.

As a result of the proposed merger, should it be successfully concluded, MetroCoal will look very different at the end of next year. I am personally excited by the prospects and opportunities that lie ahead of us as we transition from coal only to a diversified commodities company and I look forward to realising MetroCoal's full potential in the future.

STEPHEN EVERETT
Chairman

Chief Executive Officer's Review



The 2013 financial year has been a mixed year for MetroCoal. In the field we completed a successful exploration program at Bundi; under budget and with no lost time injuries. The coal sector itself has however been challenging. Demand for coal has fallen in the near term as has its price and this has eroded confidence in the junior coal sector.

The exploration program has provided additional information on seam structure and coal quality, washability and yield which has been incorporated into the geological model along with the results of last year's seismic program. The geological model continues to confirm the continuity of the coal seam and its suitability for longwall mining and will provide a robust data base for the mining studies.

Both Bundi and Columboola, along with the other proposed mines in the Surat Basin, rely on the construction of the Surat Basin railway to provide the connection to the port. Construction of this rail has been delayed with the announcement of the mothballing of Glencore's Wandoan project. In last year's report I noted that our production timeline was post 2015, hence the construction of the Surat Basin Railway was not on our critical path. The forecast delay in the construction of the Surat Basin Railway now impacts the Bundi project timeline and has pushed its development out beyond 2018.

As part of the project development process we are also pleased to have announced the co-development agreements reached with QGC Pty Ltd for our Bundi project and the Columboola mining target area.

These co-development agreements provide MetroCoal and the Columboola JV with a clear pathway to obtaining a mine lease while at the same time providing QGC with access to the gas.

In addition to work on the projects, MetroCoal has been working to secure the rail and port capacity necessary for both Bundi and Columboola. Work has progressed with Central Surat Rail, which is investigating a rail corridor south of Wandoan, and has provided a platform for a Surat Basin coal alliance whose objective is to find alternative ways to finance and construct the Surat Basin Railway. MetroCoal has also maintained an active involvement with Tenement to Terminal Limited (3TL) through its 20% interest in this company.

Notwithstanding the challenges currently facing the coal industry we remain confident in the long-term future of the thermal coal industry. This confidence is reflected in the long-term volume forecasts of all the major industry commentators and, in line with this view, we continued to progress the Bundi

and Columboola projects along the approvals time line with focussed exploration programs and the ongoing work on the Environmental Impact Statements (EIS).

Throughout the year we have continued to engage with potential investors and joint venture partners for Bundi and have also sought other coal opportunities outside the Surat Basin. As mentioned in the Chairman's letter we broadened our search to other commodities which has culminated in the proposal to merge MetroCoal with Cape Alumina

This merger will mean a very different 2014 year for MetroCoal with the focus moving from coal to bauxite in the near term. This change makes good sense in the context of the hiatus in the coal business and will provide a sound platform for the future development of the company.

Although the project development focus will be on bauxite I expect there will be continued interest in the coal assets and ongoing discussions with potential investors and joint venture partners and MetroCoal will be well placed to respond to any opportunities that may arise.

In conclusion, 2013 has been a successful year in terms of our own project activities although frustrating in the context of the coal sector in general.

I would like to take this opportunity to acknowledge the communities in the Surat Basin and thank them for their help and assistance throughout the year. I would like to thank the Chairman and the MetroCoal board for their support and, in particular I would like to thank the MetroCoal team for their loyalty, hard work and contribution during 2013.

A handwritten signature in blue ink, appearing to read 'Mike O'Brien'.

MIKE O'BRIEN
Chief Executive Officer

Operations Review

MetroCoal's tenements in the Surat Basin coalfields in Central Queensland cover approximately 3,600 km². To date, the company has announced a total resource of 4.22 billion tonnes, of which 3.85 billion tonnes is Inferred and 370 million tonnes is Indicated. Over the past year the Company has been actively progressing its flagship projects, the 100% owned Bundi thermal coal project and the Columboola Joint Venture.

In the first half of the financial year MetroCoal recommenced work on the Bundi project with a focussed drilling program and continuation of work on the Environmental Impact Statement (EIS). The work programs were structured to progress the projects at minimum cost. Substantial savings were also realised as service providers and contractors reduced their rates in response to the downturn in the resource sector.

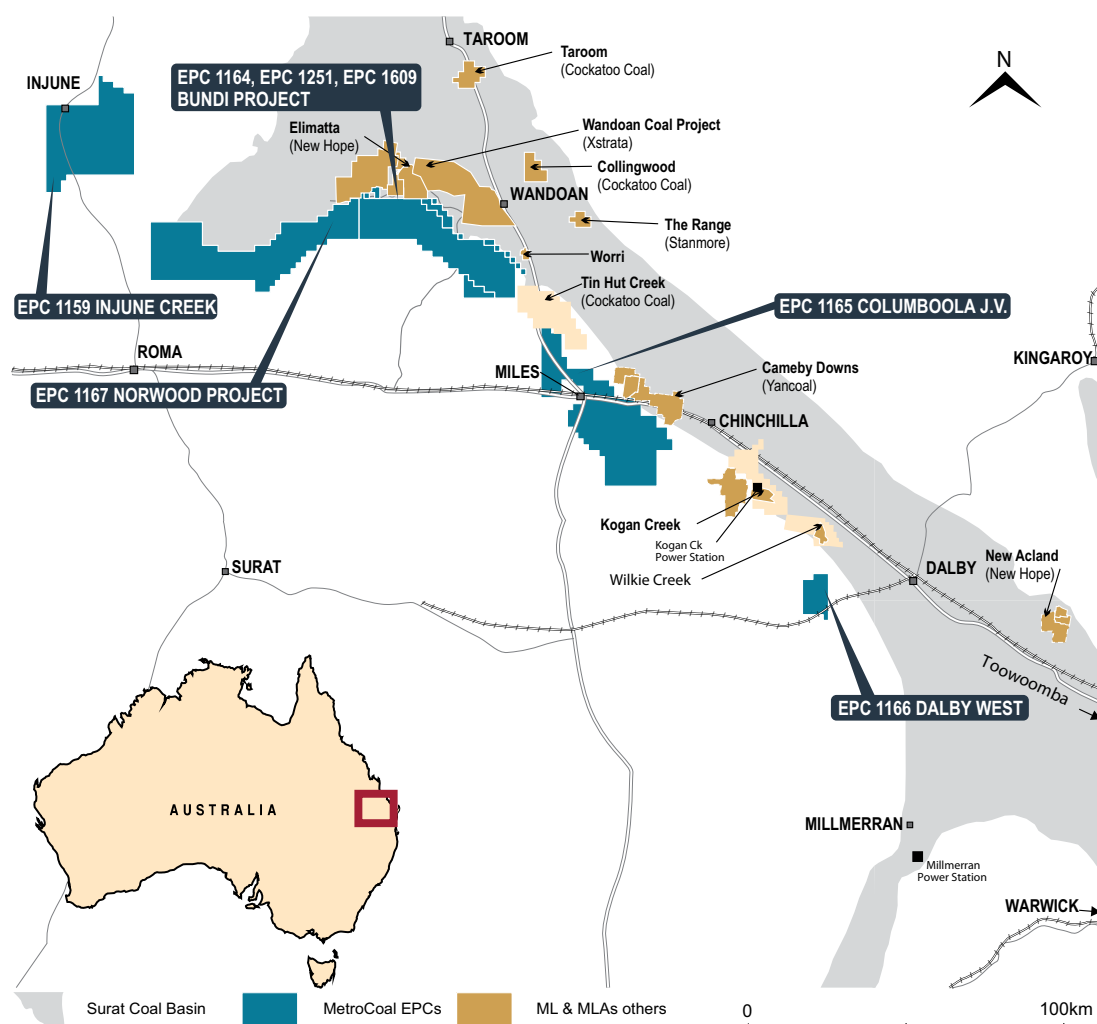
The exploration program has provided valuable input for the geological model improving our confidence in both the seam structure and coal quality while the EIS field program continued gathering field data and included the establishment of a number of strategic ground water monitoring bores. This work will

underpin the mining studies and the mining lease permitting process in the future.

With the recent announcement of the merger with Cape Alumina Ltd, and assuming the merger is concluded, the Company's focus will shift to the bauxite projects. This has led to a revision of the work planned for Bundi during the last half of 2013 and into 2014. The submission of the Bundi Mining Lease application planned this year will now be deferred and further work on the proposed mine plan will be reviewed in 2014.

The Columboola JV Project intends to carry out a drilling program in 2014 and to commence work on the Environmental Impact Statement (EIS) and submit a Mining Lease Application in 2014. The timing and intensity of the forward work program has been adjusted to reflect the project timing dictated by rail infrastructure delivery and the terms of the QGC overlapping tenure agreement.

Timing of rail and port infrastructure remains uncertain but Glencore's announcement that they are deferring their Wandoan project the timing will push this further into the future.



Operations Review

BUNDI PROJECT

(EPC 1164, 1251 & 1609)

The Bundi Project is located near the town of Wandoan, Queensland.

The proposed mining area is located in the northern part of EPC1164, including several sub-blocks from the adjoining EPC1251 and EPC1609 (See Figure 2). It is focused on the down-dip extensions of the Kogan and Macalister Seams, immediately south of Xstrata Coal's proposed Wandoan Open Cut Mine development and New Hope Coal's proposed Elimatta Mine.

A scoping study was completed and the results released in September 2012. The study confirmed the technical deliverability of longwall mining and showed a positive economic return. These results are available in our ASX release of 5 September 2012.

In 2013 work has continued to gather the information necessary for environmental and technical studies. The program has been designed to deliver the outcomes at a minimum expenditure in order to conserve cash.

The exploration program consisted of strategic boreholes aimed at filling information gaps within the Bundi Project's resource target area. The work improved resource confidence and focus was placed on collecting geological, coal quality, gas and geotechnical data along with the installation of groundwater sampling and monitoring infrastructure.

Ten exploration bore holes were completed including one groundwater monitoring hole.

Three full column HQ lithological cores were collected and assessed in accordance with the Coal Mine Roof Rating methodology. This information will be used in the mine design to establish subsidence characteristics and underground roadway support design.

Coal seam thickness and quality data including raw coal and washed product analysis was carried out for each hole. Laboratory analysis is still underway with results received to date included in the geological model.

During the year an extensive review of the geological model was completed. This review confirmed the seam correlation and has identified several alternative mining horizons. These mining horizons exploit different coal ply combinations and provide the opportunity for thick seam low yield extraction or thinner seam higher yield extraction.

Initial assessment suggests it may be possible to produce an acceptable export quality coal without the need for a wash plant. These opportunities will be assessed as part of future mining studies.

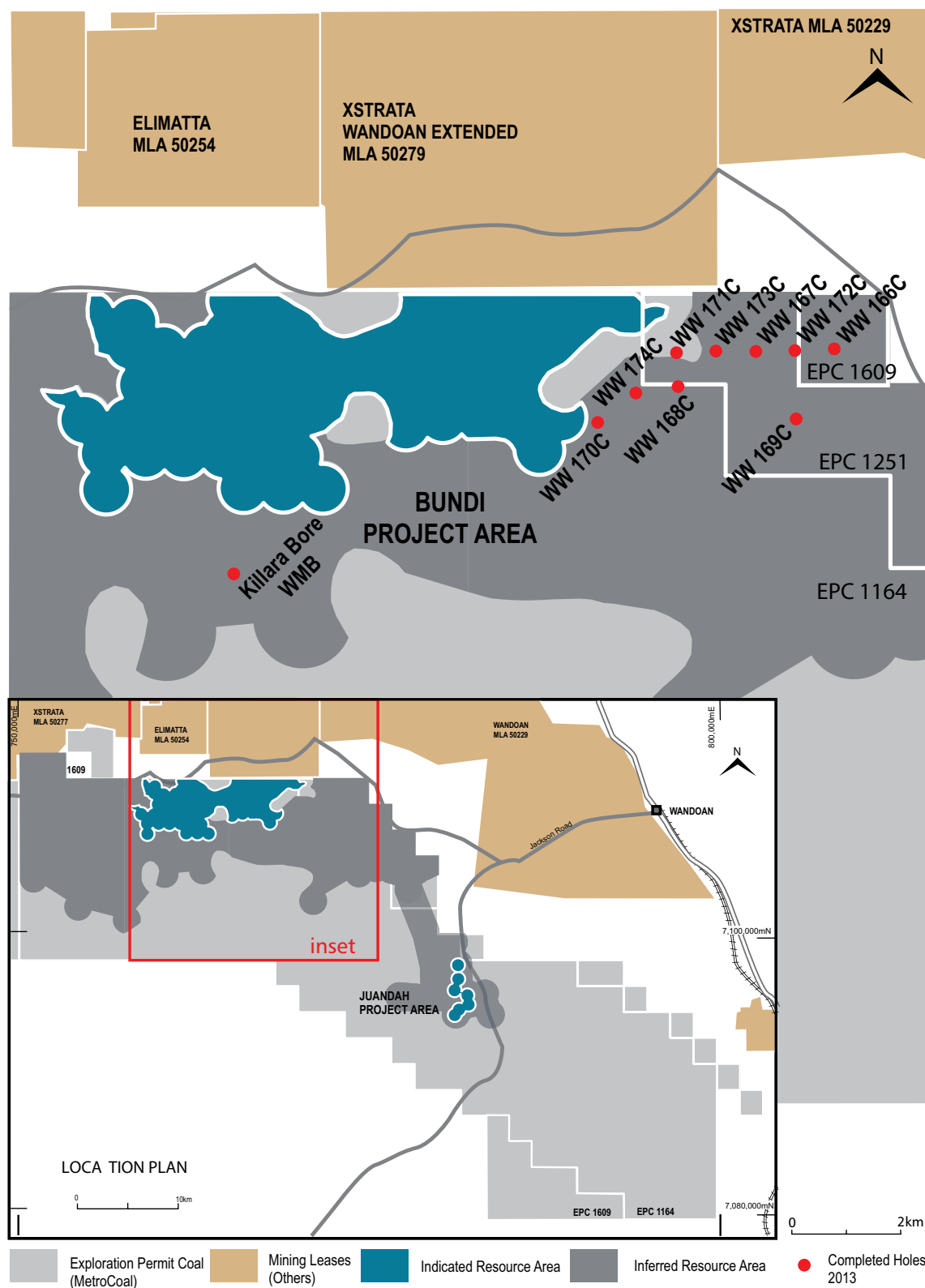
Consultation has continued with key stakeholders as part of the Environmental Impact Statement (EIS) process with a Board meeting and community consultation meeting held in Wandoan in August. While at a very early stage of the EIS process, it is important that the already-positive relationships with landholders be maintained through proactive and open communication.

Work on the EIS is currently concentrating on the installation of groundwater monitoring equipment. This work will be a major component of the initial data obtained for the EIS program. At the completion of the program there are six ground watering installations, three vibrating wire piezometers and three open hole pipe stands.

The original intention underpinning the ongoing exploration program, the EIS and proposed technical studies were intended to underpin the Mining Lease Application planned for late 2013.

However, the delay in the Surat Basin infrastructure arising from Glencore's decision to shelve their Wandoan project and the consequential delay to the Bundi project has removed the urgency for the mining lease application. The announcement of the proposed merger with Cape Alumina has also resulted in a change in focus on the coal assets. The 2014 work program for Bundi will be reviewed in light of these recent developments.

FIGURE 2



Operations Review

CUMBOOLA JOINT VENTURE

(EPC 1165)

The Columboola Project is a joint venture (JV) between SinoCoal Resources Pty Ltd (SinoCoal 51%) and MetroCoal (49%) located near the town of Miles. The JV is targeting the down dip extensions of the coal seams that make up the large Cameby Downs thermal coal deposit currently being mined by Yancoal.

During the year, the JV successfully completed Stage 3 of the drilling program, defining the Columboola longwall area located just south of the Warrego highway south of Cameby Downs. Following that, as part of the drilling MetroCoal identified a shallow resource to the north-east corner of the tenement called Goombi which had open cut potential.

This open cut mining reserve presented an exciting opportunity for the Columboola JV to potentially commence production exporting through the Port of Brisbane subject to approvals and final economic assessment, ahead of completion of the infrastructure connecting Columboola to the Port of Gladstone. This will also allow the JV to establish a market base for its Surat Basin coal.

The resource allowed the JV to establish an open cut resource at Goombi which was subsequently upgraded to a Probable Reserve of 26.2 million tonnes in the Kogan Seam and Macalister Upper Seam (See Figure 3).

During the year a total indicated resource of around 95 million tonnes was defined within a larger resource in the area of 250 million tonnes within the long wall area. There is scope to increase the indicated resource.

As announced, QGC Pty Limited (QGC) was granted PL 458, a petroleum lease covering a portion of EPC 1165. Subsequently, a Co-Development agreement with QGC was finalised and the JV now has a clear pathway to obtaining a mining lease over the Columboola project.

During the year the Xi'an Institute commenced work on a mining study compliant with Chinese standards on mine design. The institute has completed a review of exploration to date and has made recommendations for additional work.

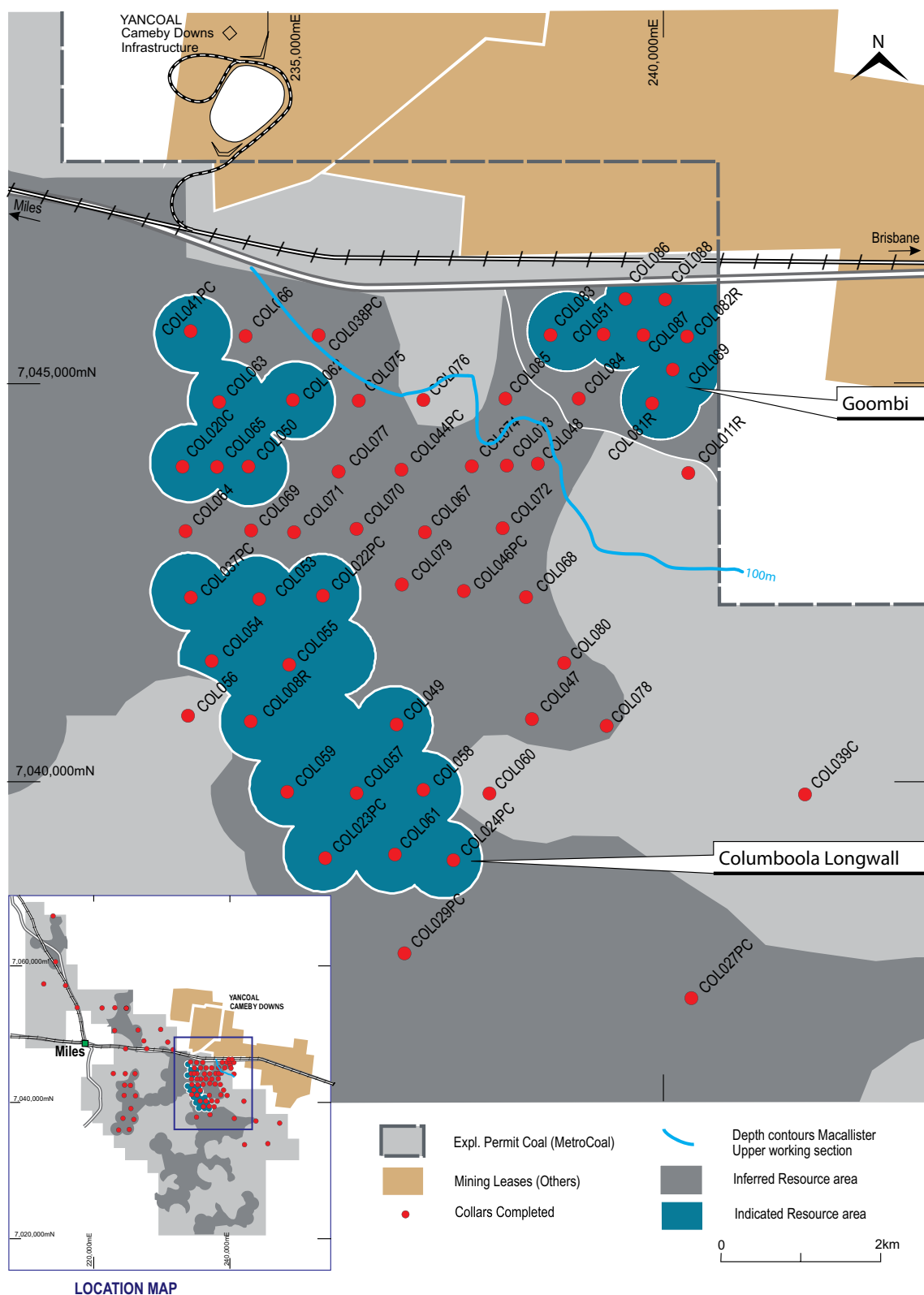
The 2013 Columboola exploration program and the structure of the Environmental Impact Statement has been finalised and work is scheduled to commence. The program will increase resource confidence; collect hydrogeology data and establish groundwater monitoring; collect geotechnical data; and collect gas data.

Due to the current limitations with rail capacity for coal transport to the Port of Brisbane, it is unlikely that the Goombi Project will be allocated rail capacity in the short term.

Notwithstanding this, MetroCoal will continue to liaise with Queensland Rail and the Port of Brisbane should there be a change in the rail capacity from the Central Surat to Brisbane.

Progress continues with the Central Surat Rail Group (CSR) with a number of potential coal shippers considering this project as a solution for future rail infrastructure. The CSR, together with MetroCoal and other Surat Basin coal companies have also been active in seeking a way forward for the infrastructure development in the Surat Basin.

FIGURE 3



MetroCoal Infrastructure - Rail & Port

MetroCoal continued to pursue its participation in key rail and port projects over the past year despite the slowing pace of development of key infrastructure to support the Surat Basin.

In June 2012 Gladstone port capacity commitments were confirmed for major mining projects close to MetroCoal's tenements.

However, since that time we have experienced further delays in the progress of Surat Basin Rail (SBR) and also the planning for future expansion stages for Wiggins Island Coal Export Terminal (WICET).

SBR achieved a number of key statutory approvals in mid-2012 and discussions continue with the Queensland Government in relation to key rail corridor land acquisitions and finalisation of lease arrangements.

A key aspect to the timing of the construction of SBR will be the participation of Glencore's Wandoan project. Recent announcements from Glencore have advised that this project is on hold and the likely timing effect on SBR is unknown.

Surat Basin Rail is a 214-kilometre railway that has received development approval from the Queensland Government and will boost economic development of regional Queensland, enhance the existing coal rail network and unlock approximately 6.3 billion tonnes of coal reserves in the Basin.

WICET's Stage 1 coal terminal in Gladstone is largely completed and work continues on the planning for future expansion. MetroCoal continues to work with the WICET project and is currently participating in discussions on the second expansion phase, WEXP2. Importantly, the first WICET expansion stage, WEXP1, involves three Surat producers, Glencore, Cockatoo Coal and Stanmore Coal.

MetroCoal also continues to work with its Columboola JV partner, SinoCoal Resources, on this project's participation in the Central Surat Rail (CSR). Preliminary work and planning is underway to link Columboola and the nearby Cameby Downs mine to the rail line that leads to Wandoan and SBR. The CSR JV includes ATEC Rail Group, an SBR JV partner, Yancoal Cameby Downs and SinoCoal Resources.

MetroCoal's port strategy also includes the 20% interest in Tenement to Terminal Limited's (3TL's) Yarwun Coal Terminal project at Gladstone. As with all Surat Basin focused infrastructure, 3TL's activities have also slowed as this company continues to seek further investment partners.

MetroCoal will continue to work closely with key infrastructure providers including SBR, WICET and 3TL to ensure optimal outcomes in the coal supply chain.



MetroCoal in the Community

MetroCoal continued and strengthened its commitment to corporate social responsibility during 2012 – 2013. Consistent with our ethos of being a good corporate citizen in the local communities where we operate, MetroCoal continued meaningful engagement with our Land Holders, Local Government and the wider community. During the past year, new relationships have been built and existing relationships reinforced. As always, MetroCoal has used local business to assist with achieving our corporate goals. As mentioned earlier in the report, 2012-13 saw the introduction of our Safety and Health Management System. The on-flow effects of this were that local contractors have been able to further develop their business skill set and have received more opportunities.

During 2012-13, MetroCoal has again involved itself in a diverse range of community activities that encouraged participation and engagement, promoted education and learning while distributing funds through a varied range of local events and activities. MetroCoal has had the opportunity to assist Indigenous school students to achieve their education goals. A donation by the company has helped Indigenous students located in Miles State School, Miles High School, Wandoan State School, Gulugaba State School and Grosmont State School, by funding the provision of books, writing and learning equipment.

MetroCoal was also delighted to assist with sponsorship of:

- Juandah Rodeo with proceeds flowing to Angel Flight,
- Wandoan camp drafting,
- Wandoan Polocrosse,
- Wandoan Tennis Association,
- Wandoan Show – Sponsorship of the Rural Ambassador Entrant & Miss Show entrant
- Wandoan Camel Races
- Wandoan Kindergarten

MetroCoal has created individual contact cards for both our EIS and Community Consultation. These will be distributed and displayed at a number of locations throughout the local communities. The company also remains in close consultation with other coal and gas proponents in the region to ensure the best outcomes are being delivered to the community as a whole. MetroCoal is committed to increasing its community activities and building a solid foundation for future operations. The company is confident its Surat Basin projects will provide significant benefits for the surrounding communities and the Queensland economy including new employment, infrastructure improvements, government royalties and flow-on effects to local townships.



MetroCoal Board of Directors



STEPHEN EVERETT

Chairman

A graduate of chemical engineering from UNSW, Stephen Everett has more than 40 years board and management experience in the resources and construction industries both in Australia and overseas. Stephen's vast management experience includes production and project management, marketing, corporate restructuring, debt/equity financing and government relations. His senior executive positions have included Managing Director and Chief Executive Officer of high-profile private and publicly listed companies.



ANDREW GILLIES

Non-Executive Director

A highly-regarded mineral resources manager and strategic planner, Andrew Gillies has been Executive Director and Managing Director of ASX-listed Metallica Minerals Limited and its subsidiaries since its listing in 2004. Andrew's background is geology, mineral exploration, feasibility, resource development, mining and company management, his key strength is resource management and strategic planning, specialising in project generation, selection and acquisition. He is a founding Director of MetroCoal and founder of Metallica – a company in which he is a major shareholder through his geological consultancy firm Golden Breed Pty Ltd.



JOHN K HALEY

Alternate Director to Andrew Gillies

John Haley brings more than 30 years of senior corporate experience in Canada and Australia to the Board of MetroCoal. He is Company Secretary, Chief Financial Officer and an Executive Director of Metallica Minerals Limited and has been employed by Metallica since late 2003. John was an Alternate Director, Company Secretary and Chief Financial Officer of Cape Alumina Limited. He has participated as a seed capitalist in a number of mineral exploration companies and had significant involvement in the listing of companies in Australia and Canada.



MICHAEL HANSEL

Non-Executive Director

As a partner with large Queensland law firm HopgoodGanim Lawyers which he joined in 1998, Michael Hansel practices exclusively in the corporate sector, with an emphasis on capital raising, mergers, acquisitions, joint ventures, due diligence, takeovers and restructuring. Michael acts for many publicly-listed resource and industrial companies in Australia and regularly advises Boards of Directors on corporate governance and related issues.



LINDSAY WARD

Non-Executive Director

Lindsay Ward has 26 years broad executive experience in resources, ports, rail and logistics – all of which are relevant to MetroCoal's Surat Basin and future coal projects. Lindsay's previous experience includes General Manager Mining of the Yallourn Energy open cut coal mine in Victoria and senior mining engineering roles including with BHP Australia Coal. He is currently Managing Director of Dart Mining NL (ASX-DTM), a Victorian based molybdenum-copper-silver explorer.



WANG DONGPING
Non-Executive Director

A highly regarded coal processing expert, Wang Dongping has worked at the highest levels within the Chinese coal industry for more than 30 years. Wang Dongping brings extensive management experience and an intimate knowledge of modern coal process technology to MetroCoal. His background includes the China Coal Ministry, General Manager of Schenck Tianjin and Chairman of Dadi Engineering Development Group.



ROBERT FINCH
Alternate Director to Wang Dongping

Robert Finch brings more than 24 years management experience to MetroCoal, including over 17 years in the Australian and Chinese coal industries. Robert was instrumental in pioneering modern coal process technology into China. His extensive coal background includes Managing Director of Schenck Tianjin, China, and Managing Director of Aury Australia, a coal process equipment manufacturing company based in Queensland.



MetroCoal Management



MIKE O'BRIEN

Chief Executive Officer

Mike O'Brien brings a 36 year mining and minerals background to MetroCoal including over 25 years extensive management experience with multinational companies Shell Coal and Anglo Coal. He has worked in operational roles as general manager of a large underground long wall mine, general manager of a very large opencast mine that included a coal seam gas (CSG) operation and held senior corporate positions such as General Manager of Shell Coal's technical group.



THEO PSAROS

Chief Operating Officer

An internationally experienced executive, Theo Psaros has worked with some of Australia's most recognisable financial and sporting names. As a Chartered Accountant, he held roles with Coopers & Lybrand and PricewaterhouseCoopers and has also been the CEO of Queensland Rugby Union and CEO of the Porsche Carrera Cup Australia. Theo has specialist skills and expertise in business advisory services, valuations, government relations and capital raising strategies.



NEIL MACKENZIE-FORBES

Columboola Joint Venture General Manager

Neil Mackenzie-Forbes is a geologist with 19 years varied experience in coal, oil shale, gold and base metals. Working with such companies as China Coal Group, s Metallica Minerals, Suncor Energy & Southern Pacific Petroleum., he has accrued extensive exploration and mining experience including the fields of resource and mine development.



NICHOLAS VILLA

Project Manager

Nicholas Villa has extensive experience in coal and coal seam gas exploration, as well as coal and metalliferous mining. He has worked on a range of projects throughout New South Wales, Queensland and Western Australia, including a number within the Sydney Basin, Clarence-Moreton Basin, Gunnedah Basin, Surat Basin and Bowen Basin. He is experienced in project and contract management for the purpose of resource development, including multiple rig exploration programs utilising multi-discipline contractors. Nicholas also functions as Site Senior Executive for MetroCoal Ltd.



ED RADLEY

Manager Geology

Ed Radley is a professional geologist with over 19 years of experience in the mining industry. He has carried out numerous resource estimations and technical assessments of mining and exploration properties in Australia, Africa, China, Indonesia and New Zealand. His experience includes all aspects of mine, resource and exploration geology, including geological mapping, core logging, resource reporting, through to project management of resource definition and exploration programs.

Competent Person Statements

With reference to the EPC1165 (Columboola) and EPC 1167 (Norwood) Project Areas and Resources

The information in this Announcement that relates to the Exploration Results and Data is based on information compiled by Mr Neil Mackenzie-Forbes who is a Member of the Australian Institute of Geoscientists (Membership No 2035). Mr Mackenzie-Forbes is currently the Columboola JV General Manager. Mr Mackenzie-Forbes 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 Mackenzie-Forbes has consented in writing to the inclusion in this release of the matters based on the information in the form and context it appears.

With reference to the EPC1164/1251/1609 (Bundi and Juandah) and EPC 1166 (Dalby West) Project Areas and 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 (M.AusIMM) (Membership No 300512). Mr Ed Radley is a fulltime employee of MetroCoal Ltd, in the role of Geological Manager, 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.



20 LARGEST SHAREHOLDERS

RANK	INVESTOR	CURRENT BALANCE	% ISSUED CAPITAL
1	Metallica Minerals Limited	64,293,962	30.78%
2	Dadi Engineering Development (Group) Co Ltd	28,800,000	13.79%
3	Dadi Engineering Development (Group) Hong Kong Co Ltd	18,450,000	8.83%
4	Ms Qing Xia	10,342,684	4.95%
5	Merrill Lynch (Australia) Nominees Pty Limited	4,686,693	2.24%
6	NLK Holdings Pty Ltd	4,000,000	1.91%
7	JP Morgan Nominees Australia Limited	2,777,422	1.33%
8	ABN AMRO Clearing Sydney Nominees Pty Ltd	1,932,470	0.93%
9	HSBC Custody Nominees (Australia) Limited	1,920,034	0.92%
10	Mr Leigh David Kalazich	1,820,200	0.87%
11	Focus Asset Management Pty Ltd	1,326,664	0.64%
12	Mr Agustin Benito Argote	1,000,000	0.48%
13	Mr Oliver Robert Dupuy + Mrs Julie Elizabeth Dupuy	1,000,000	0.48%
14	Mathews Capital Partners Pty Limited	1,000,000	0.48%
15	NEFCO Nominees Pty Ltd	1,000,000	0.48%
16	Oodachi Pty Ltd	1,000,000	0.48%
17	Mr Stewart Graham Teague + Mrs Mary Lynne Teague (The Teague Super Fund A/C)	913,500	0.44%
18	Mr William Joseph Hosemans (SWJ Hosemans & Assoc S/F A/C)	860,000	0.41%
19	Dr Gary Robert Lillicrap + Mr Damian Lillicrap + Mrs Imelda Anne Lillicrap	580,000	0.28%
20	Mr Leonardo Peric + Mrs Gail Peric	560,760	0.27%
TOTAL		148,264,389	70.99%

Total shares on Issue at 30 September 2013 is 208,883,663
Total number of shareholders at 30 September 2013 is 1479

The background is a collage of abstract elements. It features large, overlapping geometric shapes in red, teal, and orange. A central, dark, textured area resembles a close-up of coal. On the right side, there are blue and white abstract patterns, including circles and lines, suggesting a digital or technological theme.

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