

Media Release:

METRO MINING UP AND RUNNING ...

Metro Mining (ASX MMI) has "jumped out the blocks" in 2015 with a new CEO, doubling of the direct shipping ore inferred resource at its Bauxite Hills project and the appointment of a new Director who heads one of the largest alumina-aluminium enterprises in China.

Metro Mining Ltd is the new entity that has emerged from the takeover of Cape Alumina Ltd by MetroCoal Ltd. The merged business creates a diversified bulk commodities company with major bauxite projects and one of Australia's largest thermal coal resources.

New CEO Simon Finnis is charged with bringing the company's Bauxite Hills Project in Western Cape York on line in the shortest possible time at the lowest capital cost. He has considerable experience through feasibility, construction and commissioning of both new and brown fields' operations.

In its Quarterly Report to the ASX today, the company says recent resource work has more than doubled the inferred resource of direct shipping ore at Metro Mining's Bauxite Hills project to 47-million tonnes.

The DSO project greatly simplifies the development, and means a low capital and low operating cost mine avoiding any costs associated with beneficiation of the bauxite. Project approvals are expected by the first half of 2016 with production targeted for the third quarter of 2016.

Metro Mining's tenements in Cape York cover approximately 1,900 sq. kilometres, one of the largest holdings in the region outside Rio Tinto's Alcan mining leases. Work has commenced on a PFS for Bauxite Hills with completion, to coincide with a resource upgrade, scheduled in February.

The company has also announced the appointment of Mr Jijun Liu as a Director. Mr Liu is the Managing Director of Shandong Xinha Group Co, which controls one of the largest alumina-aluminium enterprises in China. China Xinha Group Corporation Limited holds 7.8% of the issued shares of Metro Mining.

Metro has undertaken preliminary discussions with the Xinha Group in regard to their possible future interest in negotiating an Offtake agreement for the Bauxite Hills project.

There continues to be strong demand for bauxite from China assisted by Indonesia's ban on raw material exports.

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