



**METRO**

**MINING  
LIMITED**

ASX ANNOUNCEMENT

16 July 2015

## Successful Placement and Underwriting of Entitlement Offer to Raise A\$5.6 Million

### Key Points

-  **\$2.0 Million Placement completed**
-  **\$3.6 Million Entitlement Offer fully underwritten**
-  **\$8.0 Million (approximately) in equity funds available with capital raising to allow strong progression of Bauxite Hills permitting and completion of Definitive Feasibility Study**
-  **Environmental permitting and Definitive Feasibility Study on track for completion for Q4 2015**

Metro Mining Limited (ASX:MMI) ("**Metro**" or the "**Company**") is pleased to announce the successful completion of a placement of \$2.0 million ("**Placement**") and the underwriting of a 1 for 7 non-renounceable entitlement offer ("**Entitlement Offer**") to raise \$3.6 million, as part of an equity capital raising to raise approximately \$5.6 million ("**Offer**") at \$0.08 per share ("**Issue Price**").

The Offer comprises the issue of approximately 69.8 million fully paid ordinary shares ("**New Shares**") comprised as follows:

- Placement of 25.0 million New Shares to institutional and sophisticated investors, raising \$2 Million; and
- Entitlement Offer of approximately 44.8 million New Shares to raise approximately \$3.6 million.

An Appendix 3B for each of the Placement and Entitlement Offer will follow this announcement.

Argonaut and GMP Securities acted as joint lead managers ("**Joint Lead Managers**") to the Offer.

As a result of the strong support for the Offer, the Entitlement Offer has been fully underwritten by the Joint Lead Managers.

New Shares issued under both the Placement and the Entitlement Offer will rank pari passu with existing ordinary shares on issue.



The proceeds of the Offer will be used to further the development of Bauxite Hills through to a decision to mine by focusing on completion of the Definitive Feasibility Study (DFS), achieving permitting approvals, undertaking pre-development work including potential pre-commitments for mining and transshipment contractors. Offer proceeds will be also used to support a modest proposed buy-back of shareholders' un-marketable parcels and for general working capital.

Metro's CEO, Simon Finnis said: "We are delighted with the very strong support for the Company from both Metro's longstanding shareholders and new investors. Completion of the Offer will strengthen Metro's balance sheet and allow Metro to be fully funded through the completion of Bauxite Hills' permitting and DFS. We greatly appreciate the support of our all our shareholders as we enter this exciting phase of our development and we look forward to the participation of our eligible shareholders in the Entitlement Offer."

## Placement

The Placement is being made under the Company's 15% annual issuing capacity for the purposes of ASX Listing Rule 7.1 and therefore shareholder approval for the Placement shares is not required.

Settlement of the Placement is scheduled for Wednesday, 22 July 2015, with the New Shares expected to commence trading on the ASX on Thursday 23 July 2015.

New shares issued under the Placement are eligible for participation in the Entitlement Offer.

## The Entitlement Offer

The Entitlement Offer is expected to raise approximately \$3.6 million from the issue of approximately 44.8 million new shares. The Entitlement Offer opens on Friday, 31 July 2015 and is expected to close at 5.00pm (EST) on Friday, 28 August 2015.

Shareholders who are eligible to participate under the terms of the Entitlement Offer will be offered the opportunity to subscribe for 1 New Share for every 7 existing shares held at 5.00pm (EST) on Friday, 24 July 2015 at the Offer Price of \$0.08 per New Share. New shares issued under the Placement are eligible for participation in the Entitlement Offer.

Eligible shareholders will also be given the opportunity to subscribe for New Shares over and above their entitlement ("**Shortfall Shares**"). Shortfall Shares will only be issued if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. The Directors, in conjunction with the Joint Lead Managers, reserve the right to, in their absolute discretion, reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than applied for.

Eligible shareholders should carefully read the entitlement offer booklet, investor presentation and personalised entitlement and acceptance form, which is expected to be mailed to each eligible shareholder on Wednesday, 29 July 2015.

The Entitlement Offer is not being extended to any shareholder with a registered address outside Australia, New Zealand, United Kingdom, Hong Kong or Cyprus. Metro shares are expected to resume trading on the ASX today.

**Simon Finnis | Chief Executive Officer**



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Electronic copies and more information available on the Company website: [www.metromining.com.au](http://www.metromining.com.au)

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