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## **METRO MINING SIGNS NON- BINDING OFF-TAKE AGREEMENT WITH CHINA XINFAGROUP**

Brisbane based Metro Mining Ltd and China's Xinfagroup have signed an **Off-Take** Memorandum of Understanding aimed at pre-committing half of Metro's Bauxite Hills Project production for the first five years.

Xinfagroup Ltd is a long standing major shareholder of Metro Mining.

Whilst the initial agreement is non- binding, Metro Mining CEO Simon Finnis says the companies aim to finalise binding contracts within four months.

Metro Mining forecasts total annual production of up to 2 million tonnes from Bauxite Hills. Xinfagroup stands to secure 1 -1.2 million tonnes a year for five years.

"This MoU shows the strong relationship and exceptional good faith between Xinfagroup and Metro Mining," Mr Finnis said.

Bauxite Hills is scheduled to be in operation from September next year.

Mr Finnis says the signing of the Xinfagroup MoU adds to Metro Mining's "rapid march to mining operations" at Bauxite Hills. Other Major Announcements have included:

- Outstanding PFS results including a NPV15 of A\$197M and IRR of 88%;
- A significant increase in the Bauxite Hills Ore Reserve – from 12.1Mt to 48.2Mt;
- Based on the mining Reserve, an extension of the mine life from 21 to 27 years.
- \$5.6M Capital Raising comprising a fully underwritten shareholder Rights Issue aimed at raising \$3.6M, which followed a successful \$2M Placement;

"Focus will now be on completion of the Definitive Feasibility Study (DFS), achieving permitting approvals, undertaking pre-development work including potential pre-commitments for mining and transshipment contractors, and finalising the formal and binding offtake Agreement" Mr Finnis said

In addition to Bauxite Hills, Metro controls a 1,300 sq. kilometres land position in the Weipa region. **(ends)**

**FURTHER MEDIA INFORMATION: Digby McLeay Telephone 0419 690 001**