

22 December 2016

## Game, Set & (now) Match ... Metro Mining to combine bauxite projects

**Metro Mining Ltd has taken control of 99.7% of Gulf Alumina Ltd and will compulsory acquire the remaining shares.**

Metro today announced it will immediately combine Gulf's neighbouring Skardon River Bauxite Project within its flagship Bauxite Hills Project creating one of the largest independent operations within the internationally acclaimed Weipa bauxite region.

Metro has also commenced work on a bankable feasibility study (**BFS**) which is expected to reflect synergies and other benefits of combining the two projects. The combined projects are expected to double Metro's reserve of direct shipping ore (**DSO**) bauxite from 48 to 96.5 million tonnes.

Metro CEO Simon Finnis says combining the projects will benefit all stakeholders, including shareholders, traditional owners, and the State and Federal Governments, as well as the local economy.

"Recent meetings with our traditional owners confirmed their support for the combined approach, which will minimise impact on the environment," Mr Finnis said.

"The combined projects will improve capital and operating efficiencies, streamline regulatory approvals, improve project financing and enhance product marketing opportunities. Simply put, we have a significant long life, low capital cost and high margin Australian bauxite project."

Metro has gained the established mining lease over Gulf's tenements and additional infrastructure including airstrip, haul roads and port location.

"Our sights are firmly set on expediting the expanded Project through to production," Mr Finnis said.

The successful takeover of Gulf adds to a string of achievements by Metro this year. In October 2016 the company signed a binding offtake agreement with China's Xinfu Group for 7Mt of bauxite to be delivered over the initial four years of mining. In July, UK based Greenstone Resources invested A\$8.9million in the company and conditionally committed to investing a further \$US20 million in the development of Bauxite Hills. Native Title and Land Access Agreements were also finalised early in the year. **(ENDS)**

**Further media information: Digby McLeay – Mobile 0419 690 001**