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Metro Mining Doubles Mine Reserve

Metro Mining Ltd (ASX:MMI) has more than doubled its Direct Shipping Ore Reserve to 96.5 million tonnes by combining the Bauxite Hills Project north of Weipa with the neighboring Skardon River Project.

Metro took control of Gulf Alumina Ltd and the Skardon River Project late last year. The combined projects have been renamed the “**Bauxite Hills Mine.**”

Metro Mining Managing Director Simon Finnis says mine construction is due to commence in the second half of this year with basic infrastructure including airstrip, haul roads and port location already in place.

“The **Bauxite Hills Mine** will become one of the largest independent operations within the internationally acclaimed Weipa Bauxite Region,” Mr Finnis said

“Combining the two stand-alone projects will improve capital and operating efficiencies, regulatory approvals, project financing and enhance product marketing opportunities. Simply put, we have a significant long life, low capital cost and high margin Australian bauxite project.”

Last year Metro signed a binding offtake agreement with China's Xinha Group for 7Mt of bauxite to be delivered over the initial four years of mining.

UK based Greenstone Resources has invested A\$8.9million in the company and conditionally committed to investing a further **\$US20** million in mine development costs.

Native Title and Land Access Agreements were also finalised last year.

The Bauxite Hills Mine is located 95 kilometres north of Weipa and the total tenement package on Cape York covers 2,505 square kilometres.

Once fully operational, Bauxite Hills is expected employ up to 200 people with a 30% indigenous workforce target. Around 80 employees are expected to be on site at any one time.

Metro is currently preparing a Bankable Feasibility Study (**BFS**).

(ENDS)

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