

Bauxite Hills Mining Contract Awarded

Highlights

- Mining Contract awarded to SAB Mining
- SAB already on site performing civil works
- All major contracts for the operational phase of Bauxite Hills have now been awarded

Metro Mining Limited (ASX: MMI) (Metro) is pleased to announce it has awarded the Mining Contract for the operation of the Bauxite Hills Mine, finalising the awarding of all major contracts for the mine.

Mine construction at the Bauxite Hills Mine 100kms north of Weipa commenced in July and mining operations are on schedule to commence in April next year.

The mining contract has been awarded to SAB Mining (SAB) a private Queensland mining services company who also provides services for the Sonoma coal mine in the Bowen Basin.

SAB is currently on-site undertaking civils works for mine construction and has performed admirably from a safety, indigenous engagement and productivity perspective.

SAB's scope of works for the Bauxite Hills Mine contract encompasses all land based mining activities including:

- Clearing and pre-strip
- Mining bauxite in accordance with mine plan
- Operation of haul trucks
- Loading of barges via barge loading facility
- Rehabilitation of mined areas
- Maintenance of plant and equipment

The key terms of the Mining Contract are as follows:

- 2-year term + 2 year option at Metro's election
- Key mining equipment provided by SAB at fixed monthly rate and ancillary equipment provided on agreed hourly schedule of rates
- Labour provided by SAB on agreed schedule of rates

The financial details of the Mining Contract are in line with the estimates provided for Metro's Bankable Feasibility Study for the project.

Metro's Managing Director Simon Finnis said:

"Metro is delighted to have engaged SAB Mining to carry out the mining services for the Bauxite Hills mine. SAB has been integral in assisting Metro advance the project to where it is today and their formal appointment for mining operations represents another key milestone for the project."

Metro and SAB will work together to prepare for mining activities with the view of mobilising the mining fleet to site in March 2018, ahead of forecast production starting in April 2018."



ASX: MMI | ACN 117 763 443

For Further Information: P: +61 (0) 7 3009 8000 | F: +61 (0) 7 3221 4811 | E: info@metromining.com.au

Contact: Simon Finnis, **Managing Director & Chief Executive Officer** |

Scott Waddell, **Chief Financial Officer & Company Secretary**

Electronic copies & more information available at: www.metromining.com.au

Registered Office & Head Office: Lv 2, 247 Adelaide St, Brisbane | GPO Box 10955, Brisbane Q 4000

This announcement has been prepared for publication in Australia and may not be released or distributed in the USA. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.