

Explore | Define | Mine

Brisbane Mining Club

May 2018

Highlights

1

Bauxite Hills Mine now in production – 10 months after construction commenced

2

Simple DSO operation well located in Cape York with significant competitive advantages

3

Compelling economics and long life mine

4

Emerging independent Cape York bauxite producer in high growth commodity

5

Sales underpinned by a firm 4 year offtake agreement (50% production) with Xinfu. Supplementary spot-sales to be negotiated with a range of Chinese customers

6

Transformational growth in China's seaborne bauxite demand driven by fundamentals

7

Proven Board and Management focused on shareholder value

Corporate Snapshot

Capital Structure

Share Price (15-May-18)	\$0.24
Shares on Issue	1,292M
Market Cap	A\$310M
Options Unlisted	33.4M
Unrestricted Cash (31-Mar-2018)	A\$17.1M
Debt Facilities	\$39.6M
Enterprise Value	A\$333.0M

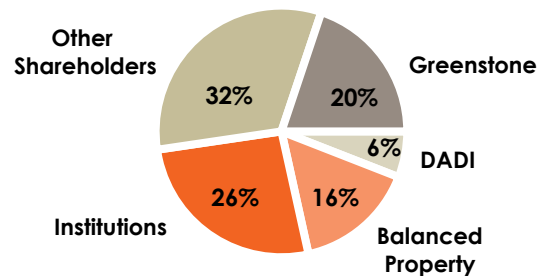
Board of Directors

Chairman	Stephen Everett
Managing Director & CEO	Simon Finnis
Non-Executive Director	Philip Hennessy
Non-Executive Director	George Lloyd
Non-Executive Director	Lindsay Ward
Non-Executive Director	Mark Sawyer
Non-Executive Director	Dongping Wang
Non-Executive Director	Jijun Liu

Share Price Performance Jan 2015-May 2018



Share Register



Achievements & Value Platform

1

All Licenses to Operate Received

- All Mining Leases granted and Environmental Approvals received
- Approval for up to 10Mtpa production ✓

2

Prudent Project Funding

- Solid balance sheet following completion of funding requirements
- Prudent debt/equity ratio at project commencement ✓

3

Operational Team in Place

- Key contractors operating efficiently ✓
- Indigenous employees comprise approx 34% of workforce

4

Customer Base Growing

- Binding Sales Agreement for 7Mt over 4 years with Xinfu ✓
- Spot-sales to a range of customers expected in 2018

5

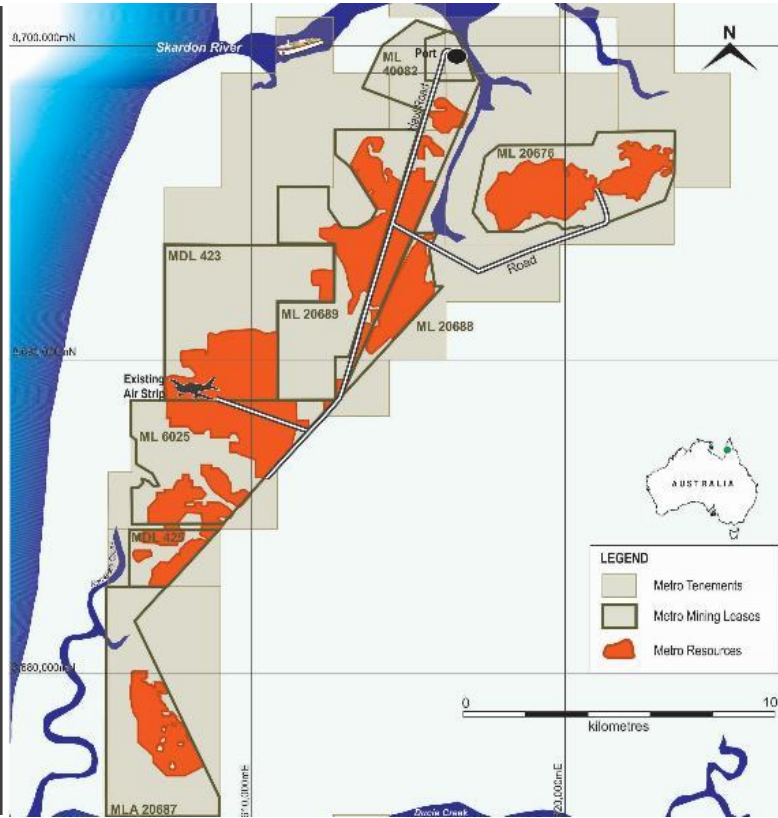
Mine production commenced on time

- Bauxite Production in April 2018
- Shipments to China now underway ✓
- Operational Concept Proven

Key Milestones Completed in 2017 and 2018 have enabled production to commence in April 2018

Bauxite Hills Mine Snapshot

Location



Key Statistics ¹

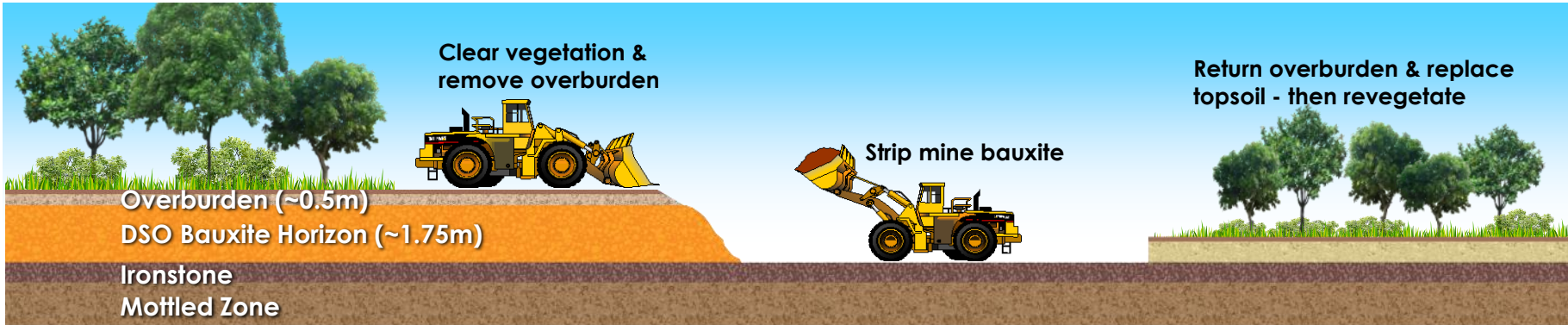
Project Overview	Ownership:	Metro (100%)	Location:	Cape York, Qld		
	Commodity	Bauxite				
	Product Type	Direct Shipping Ore				
	Contained Mineral:	Reserves	92.2Mt ¹	Resources	144.8Mt ¹	
	Mine Type	Surface mining				
	Status	Operational				
Operational Overview	First Production	April 2018				
	Start-up Production	~2Mtpa				
	Steady State Production	~6Mtpa (year 4)				
	Costs (LOM Avg)	Onsite	\$16.4/t	Incl Royalty	\$23.0/t	
	Mine Life	17 years				
	Operations	Contract mining & transhipment				
	Workforce	~185 personnel				

1.ASX Release 15 Mar 2017

Simple DSO Project

- Operational simplicity and specialist mining and transhipment contractors means an easy to manage operation
- Dry season only operations negate the risk of weather impact
- Site location, geological setting and layout provides low operating costs

Mining



Logistics



First Ship Sails for China



- First delivery of 62,000 tonnes on its way to Xinfu in China.
- Production ramp-up is progressing well with commissioning issues being resolved.
- Next ship is currently being loaded. A shorter loading period is anticipated given daily mining rates are steadily increasing.
- Conditions for shiploading are excellent with prevailing breezes during the dry season keeping the seas calm.

Production Ramp-Up

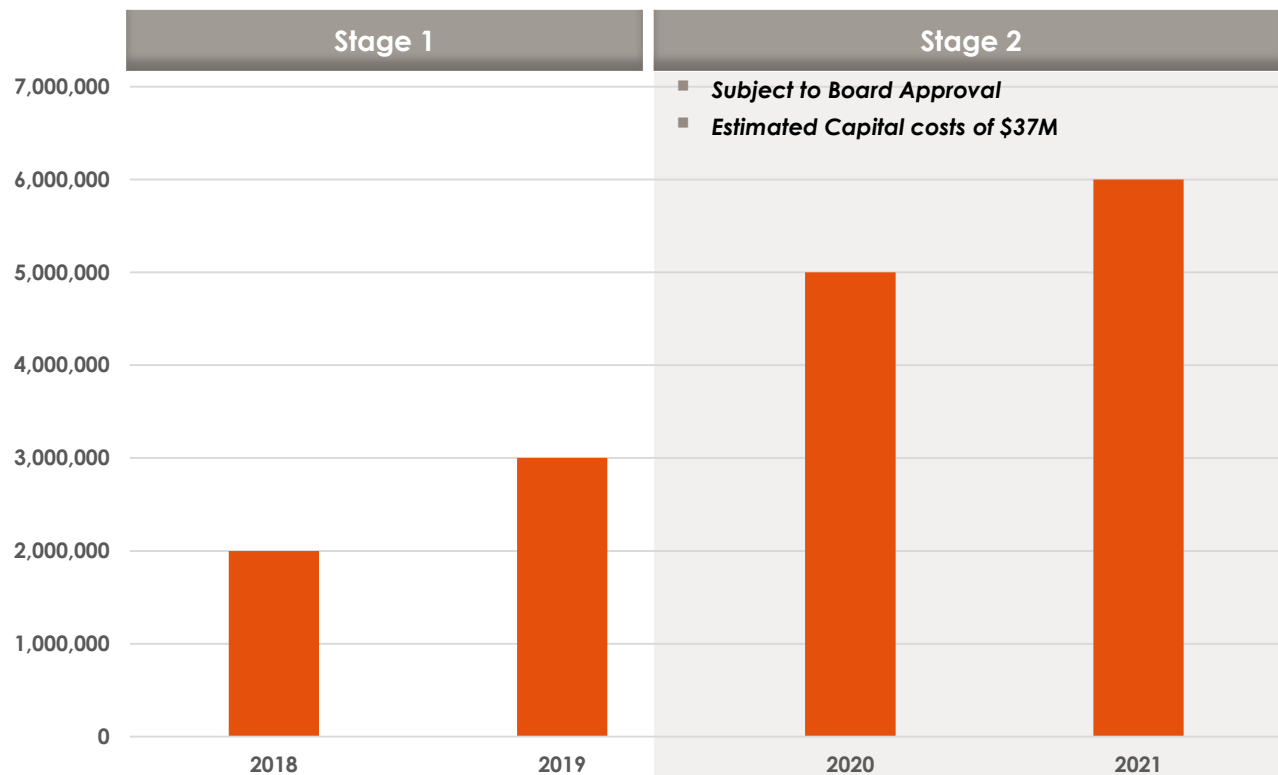
Bauxite Production Guidance (WMT)

	June '18 Qtr	Sept '18 Qtr	Dec '18 Qtr	2018 – CY	2019 - CY
Bauxite Mined ('000t)	475 – 525	800 – 850	650 – 700	1,925 – 2,075	3,000
Bauxite Shipped ('000t)	400 – 450	800 – 850	725 – 775	1,925 – 2,075	3,000



- Production ramp-up reflects the planned production over the scheduled 8 month operating window.
- Guidance reflects the recent commissioning issues which are now largely resolved and arrival of a larger barge in June
- The mine is anticipated to be operating at the 3Mtpa rate by the end of 2018
- Most recruitment of site based staff is complete with Indigenous employees comprising approximately 34% of workforce

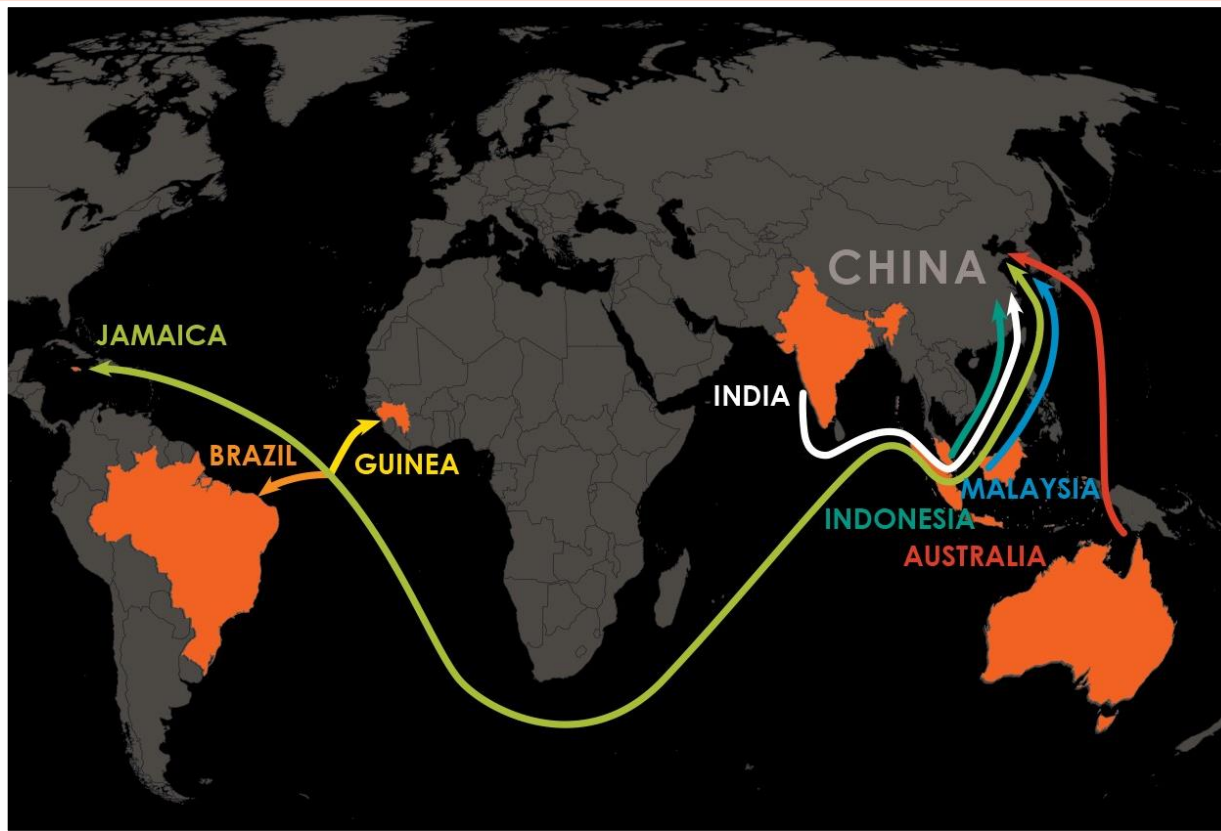
Bauxite Hills Production



- Ramping up over 4 years reflects development of the customer base. Expansionary capital expenditure estimated at approximately \$37M¹
- Can be accelerated if market conditions allow/support
- Significant unit cost improvement at higher production rates
- Existing infrastructure has been built to facilitate higher production rates.

1. ASX Release 15 Mar 2017

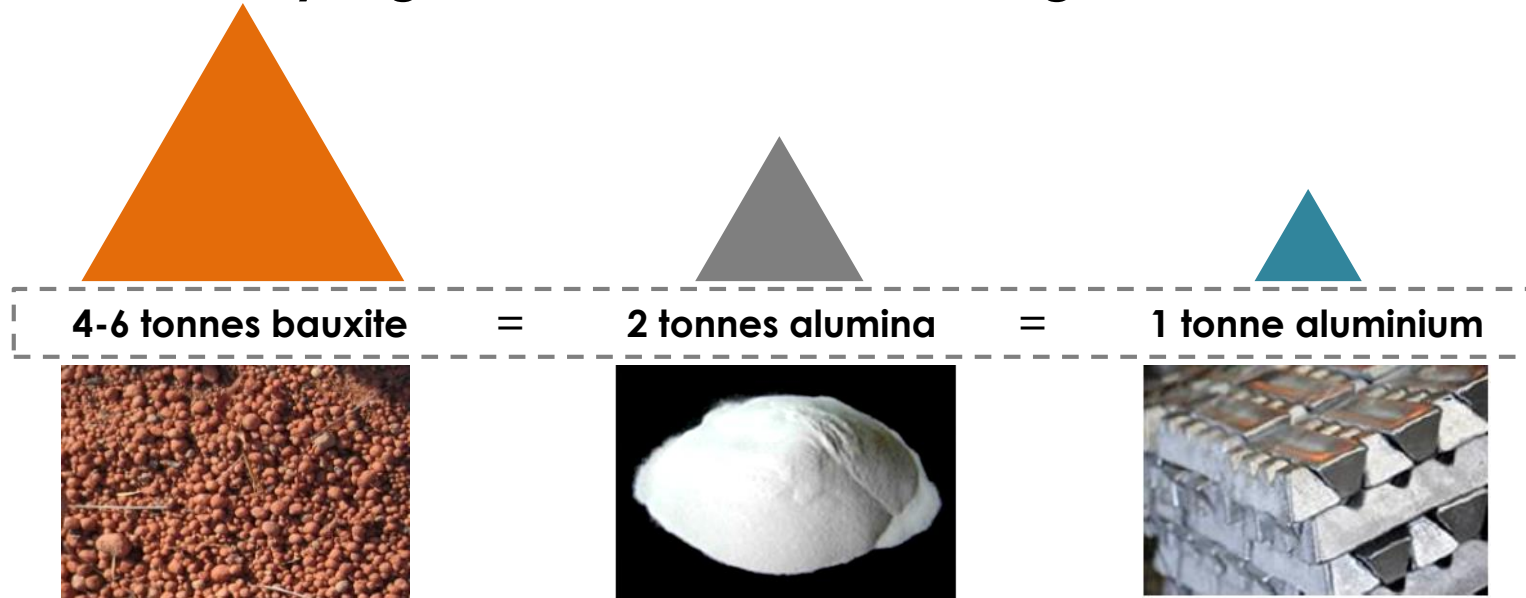
Competitive Advantage



- Location, Location, Location
- Metro's low cost shipping is a sustainable cost advantage to China relative to competing bauxite producers
- Cape York Bauxite is well known in, and well received by the Chinese market
- Minimal working capital requirements provided by speed to market
- As ocean freight increases, cost advantage also increases

Bauxite is the Primary Ore of Aluminium

Key Ingredient for Manufacturing Aluminium

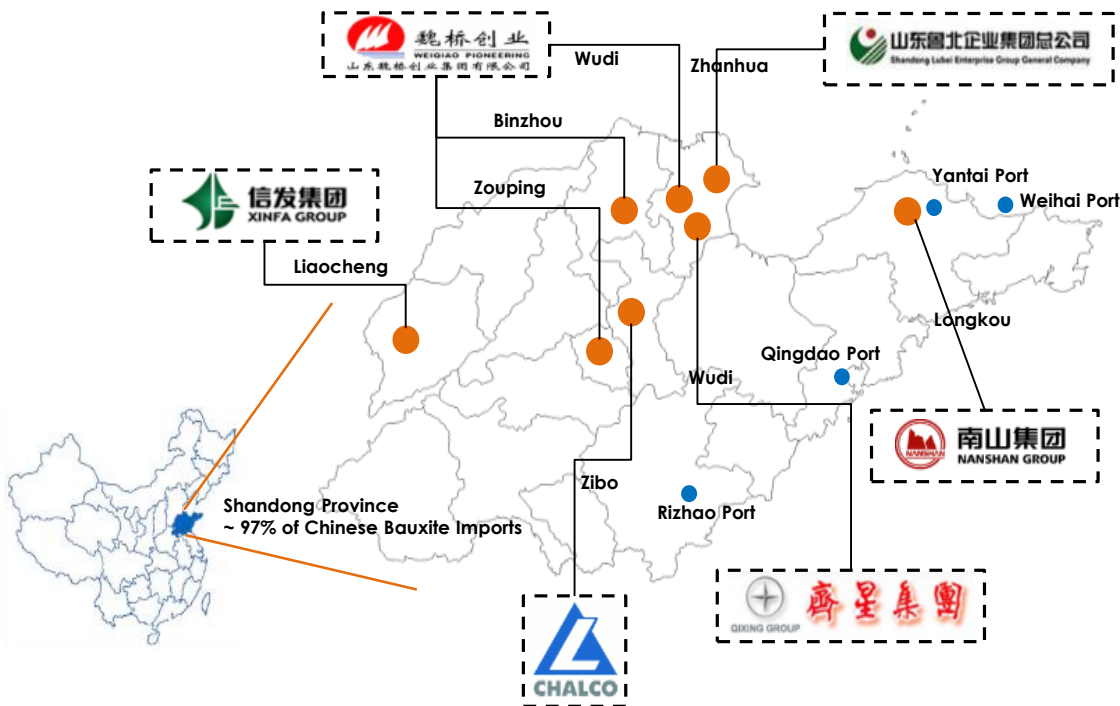


Key Bauxite Value Drivers

Grade	Alumina content ranges from 30% - 65% and silica ranges from 2% - 30%
Location	Proximity to buyer, supply reliability and sovereign risk

Key Market End Users & Off-take*

Overview of Key China End Users & Port Locations – Shandong Province



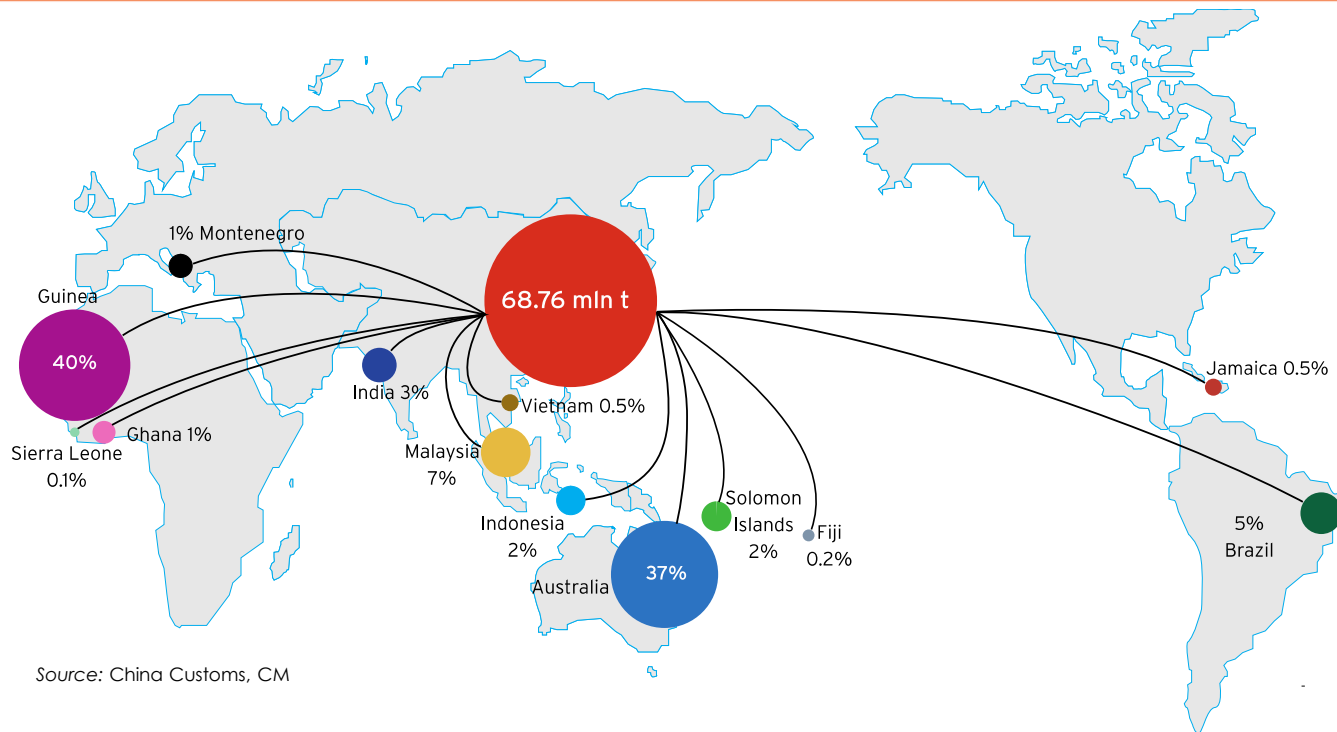
Summary of Xinha Off-Take

Term	4 years
Total Tonnage	7Mt
Tonnage	1Mt for yr1 2Mt for yrs 2-4
Pricing	CIF basis
Reference Price	Established alumina index
Payment Terms	Irrevocable LC for each shipment
Product Spec	Defined parameters with bonus / penalty arrangements
'Take or Pay'	Yes
Shipping	Agreed annually in advance

Other Chinese Consumers

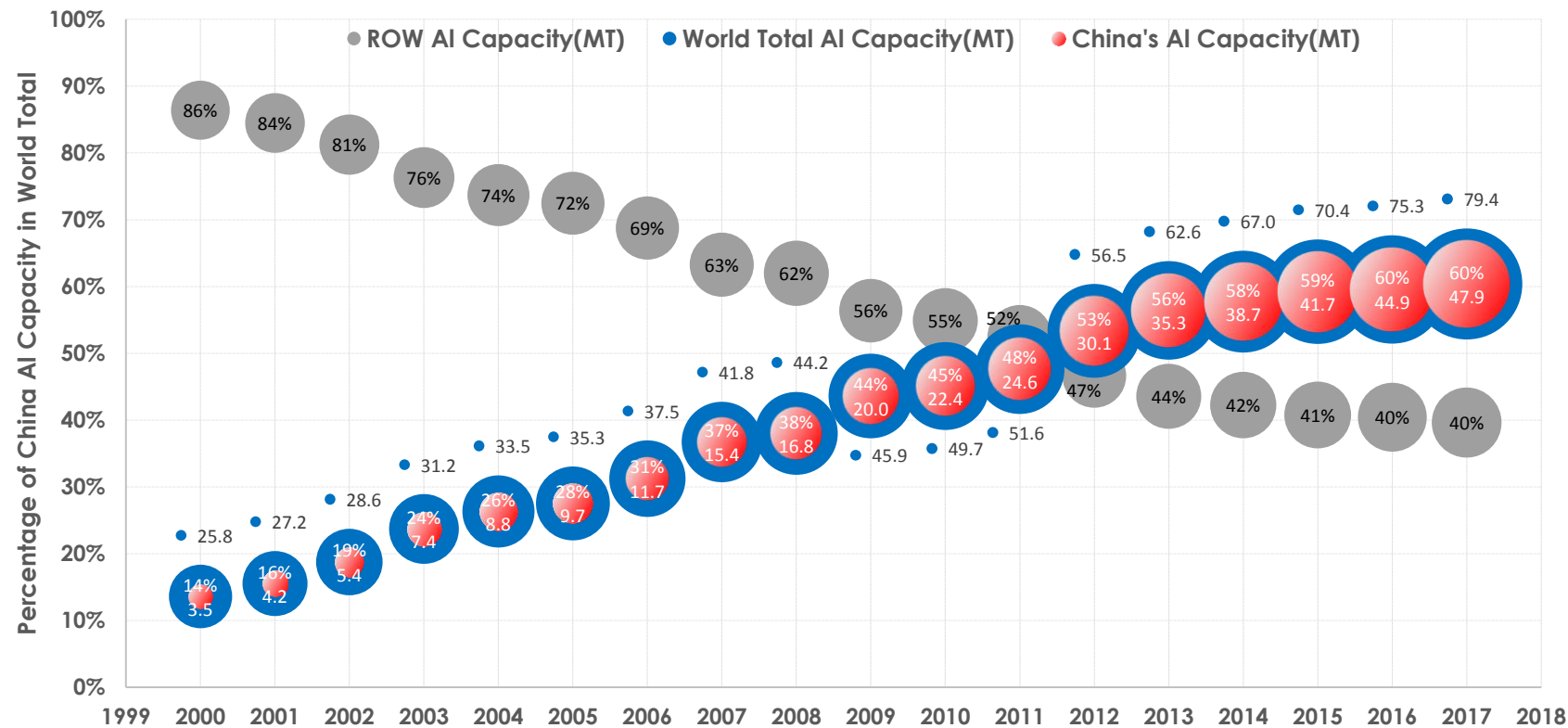
- Lubei LOI (non-binding) for 0.5-1.0mt pa for a minimum three years, with market based pricing.
- An MOU (non-binding) with the aluminium division of China's State Power Investment Corporation ("SPIC") for 6.5mt over 4 years beginning 2018 with market based pricing

China's 2017 Bauxite Imports



- Guinea has become the largest supplier to China driven by exports from the Chinese-controlled SMB-WAP
- Australia's supply has been steadily growing-up 4.2Mt (20%) in 2017 to 25.5Mt

China vs ROW Primary Aluminium Capacity 2000–2017 (Mtpy)

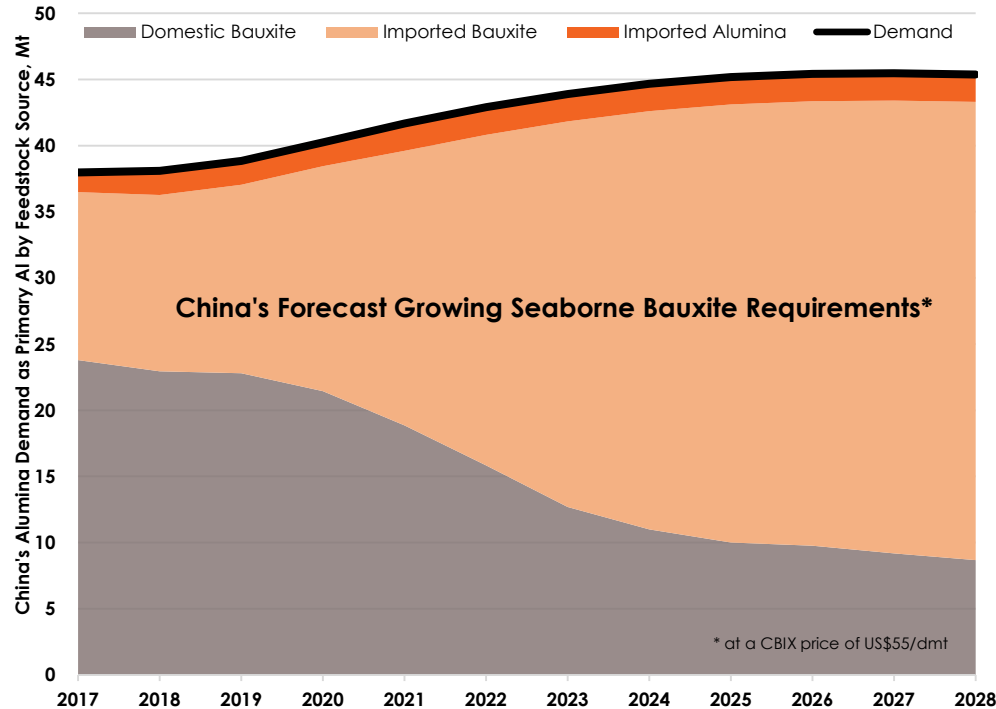


Source: IAI, CM Analysis

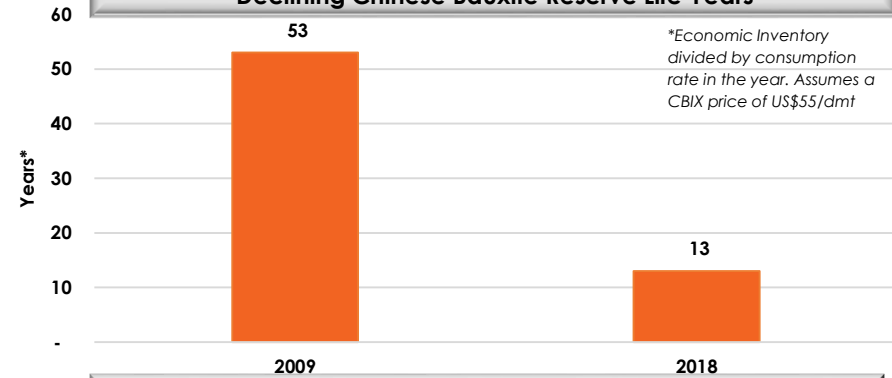
Structural Change in China

Source: CM Group

China's seaborne bauxite imports are forecast to grow from ~50mtpa in 2015 to ~150mtpa by 2029



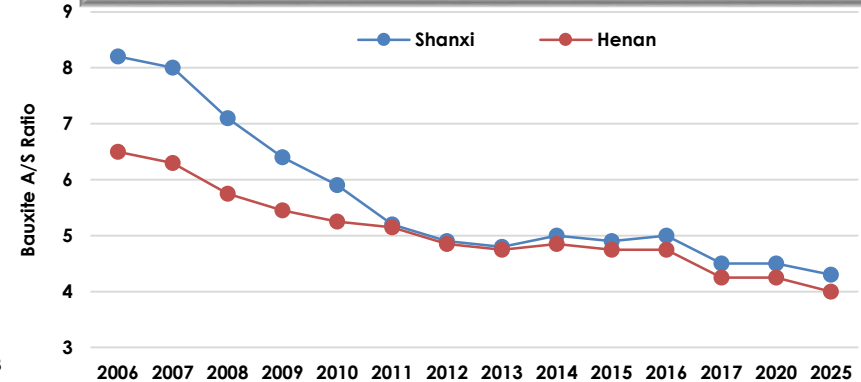
Declining Chinese Bauxite Reserve Life Years



2009

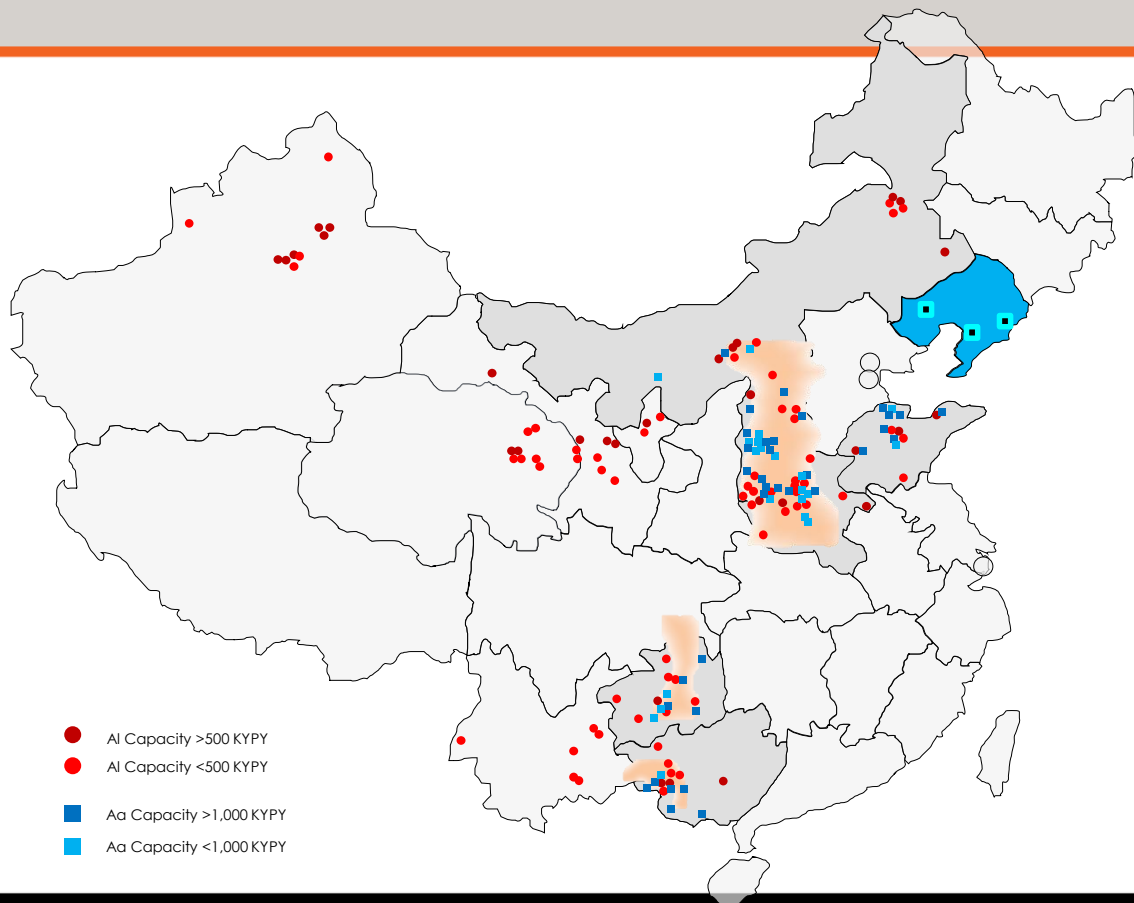
2018

Declining Chinese Bauxite Quality



Map of China's Major Alumina & Primary Aluminium Bases

Source: CM Group



China's Main Bauxite Concentration

China's major alumina producing provinces:

1. Shandong
2. Shanxi
3. Henan
4. Guangxi
5. Guizhou
6. Inner Mongolia

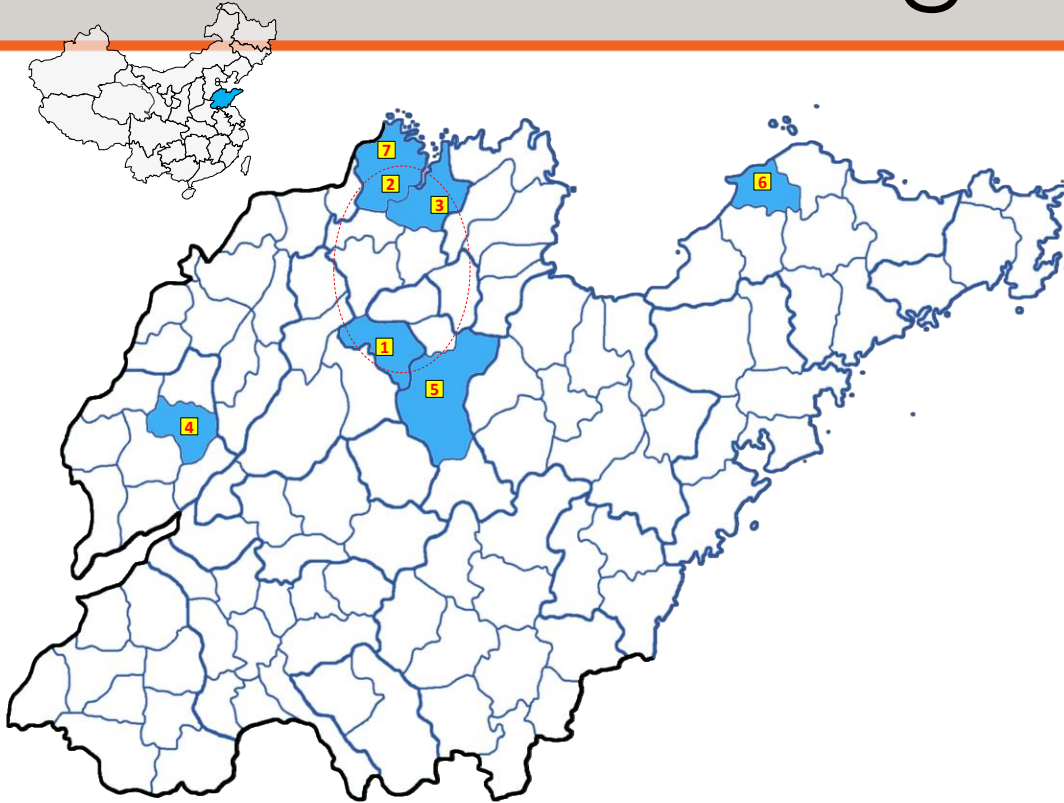
Liaoning Province is emerging as a major player, with three projects planned or under construction

China's top 11 primary Al production provinces

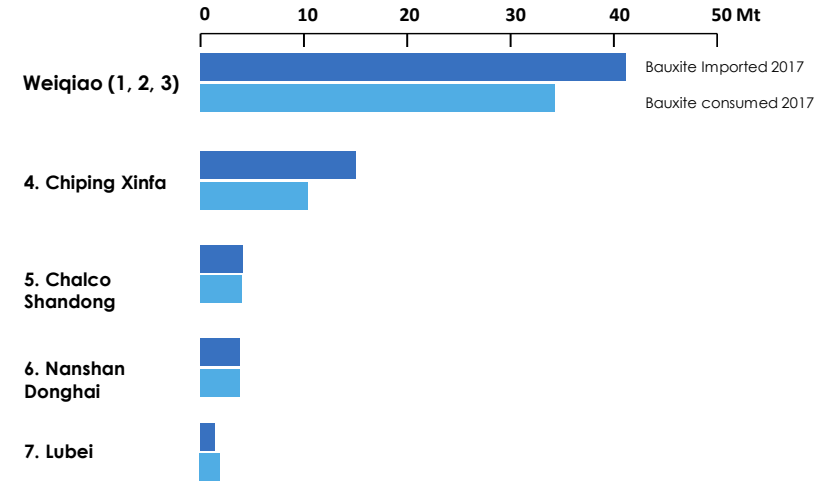
1. Shandong
2. Xinjiang
3. Inner Mongolia
4. Henan
5. Gansu
6. Qinghai
7. Yunnan
8. Ningxia
9. Guizhou
10. Shanxi
11. Guangxi

Shandong - Alumina

Source: CM Group



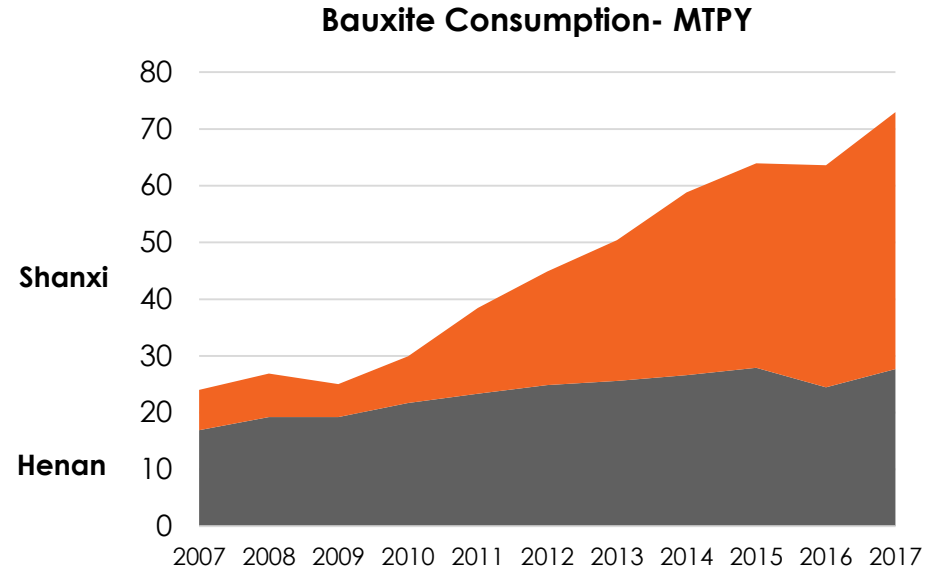
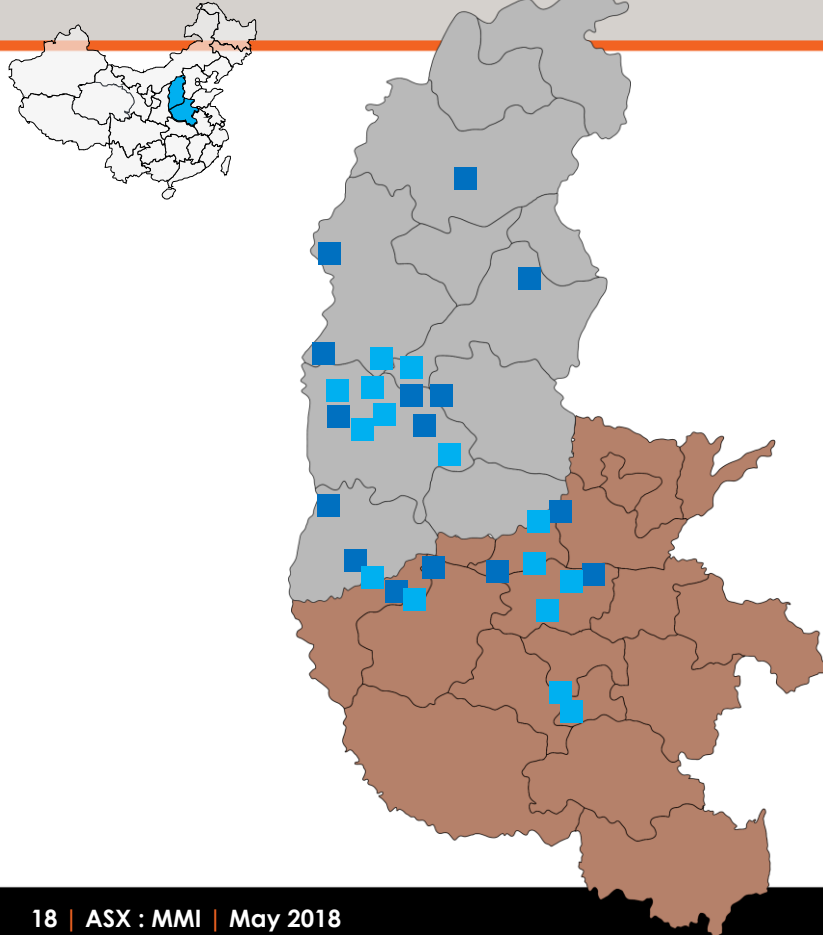
Groups	Bauxite Import in 2017	Bauxite Consumed in 2017
Weiqiao	41.3 mt (26.8 mt from Guinea)	34.4 mt
Xinfa	15.1 mt (8.9 mt from Australia)	10.4 mt
Chalco	4.1 mt (2.6 mt from Brazil)	4.0 mt
Nanshan	3.9 mt (3.4 mt from Brazil)	3.9 mt
Lubei	1.3 mt (Malaysia/Indonesia)	1.9 mt



* Note: two small refineries (Qixing and Nanhan) are currently not operating

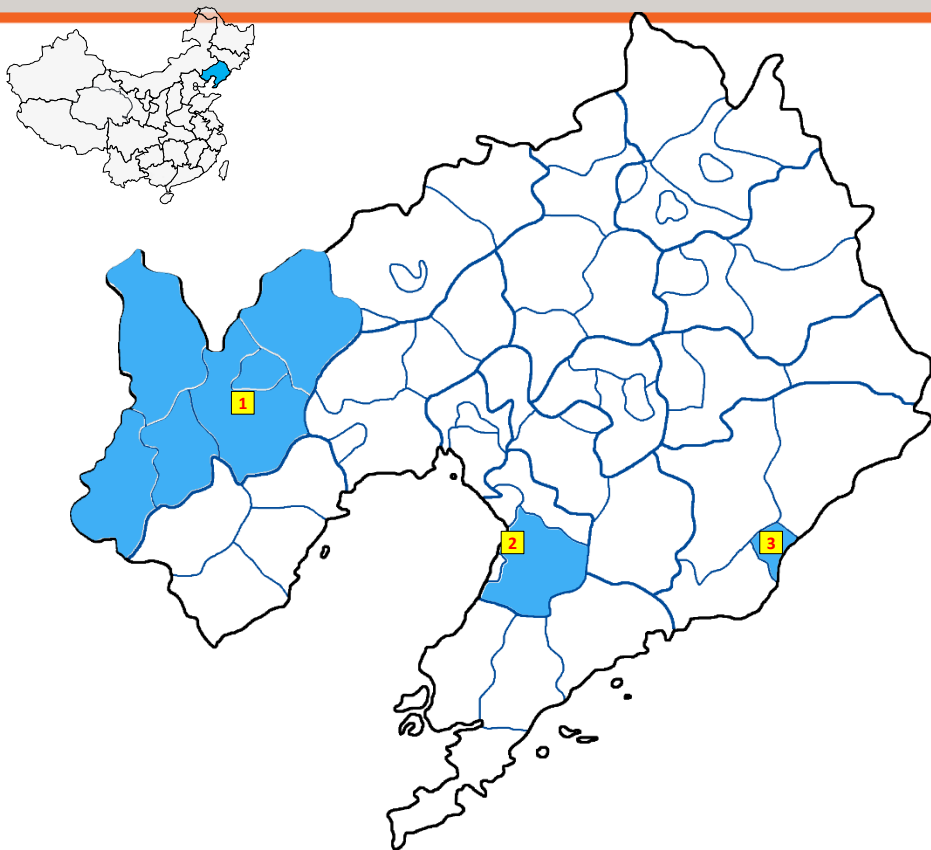
Shanxi & Henan - Alumina

Source: CM Group



Liaoning - Alumina

Source: CM Group



1. Jingang Aluminium 10 MTPY Planning

Owner: Jinzhou Port Group
Bauxite Source: Guinea, Australia

Plans to construct by phases, with Phase I scheduled to commence construction October 2018, and the first production line to come on stream in June 2020, with total investment of RMB 24.2 billion

2. Dananshan Alumina 2.5 MTPY Constructing

Owner: Bosai Group
Bauxite Source: Ghana and others

Started construction on Mar 28, 2018 and scheduled to come online in end-2019. Two production lines with total investment of RMB 5 billion

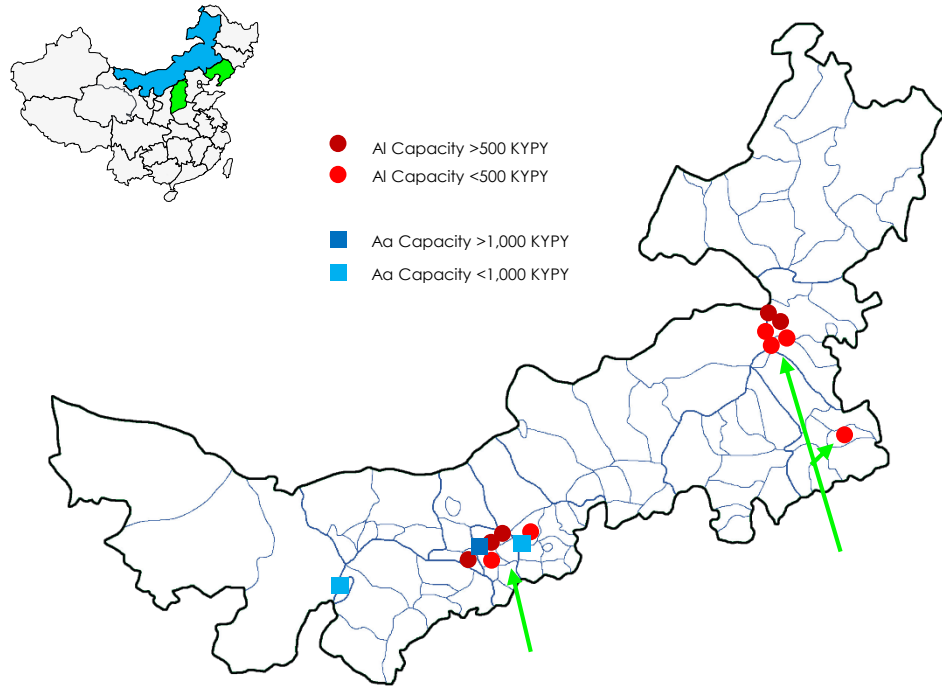
3. Danfeng Aluminium 6 MTPY Planning

Owner: Jinjiang Group
Bauxite Source: -

Feasibility report just got approvals, and the total investment reaches RMB15 billion

Inner Mongolia – Alumina & Aluminium

Source: CM Group



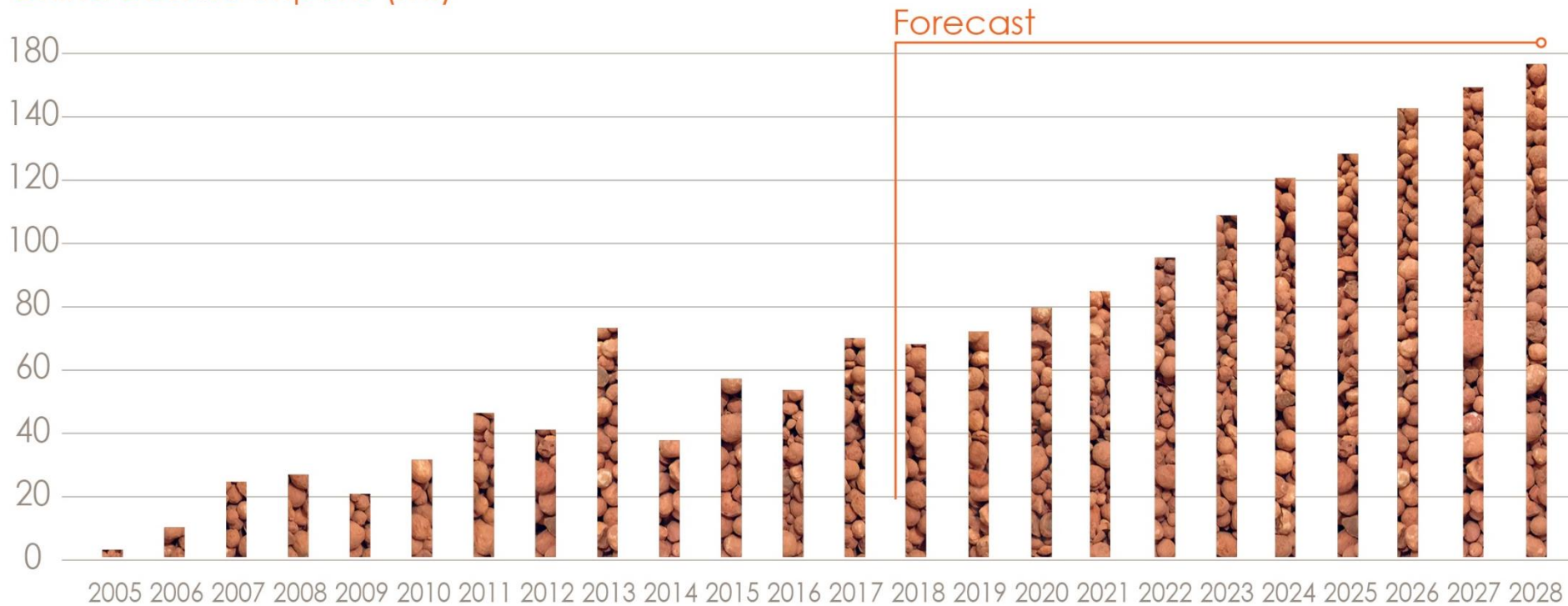
❖ Inner Mongolia has three alumina refineries, with total refining capacity at 1.4 MTPY (inclusive of 0.2MTPY idled), ranking the highest in China's alumina cost curve.

❖ Inner Mongolia's primary aluminium smelting capacity at 4.6MTPY, with its alumina demand disproportionally larger than local supply.

- The Central Cluster mainly relying on alumina from Shanxi
- The Eastern Cluster mainly now mainly relying on alumina from Shanxi and Shandong, but Liaoning is forecast to be the future source of alumina due to its proximity.

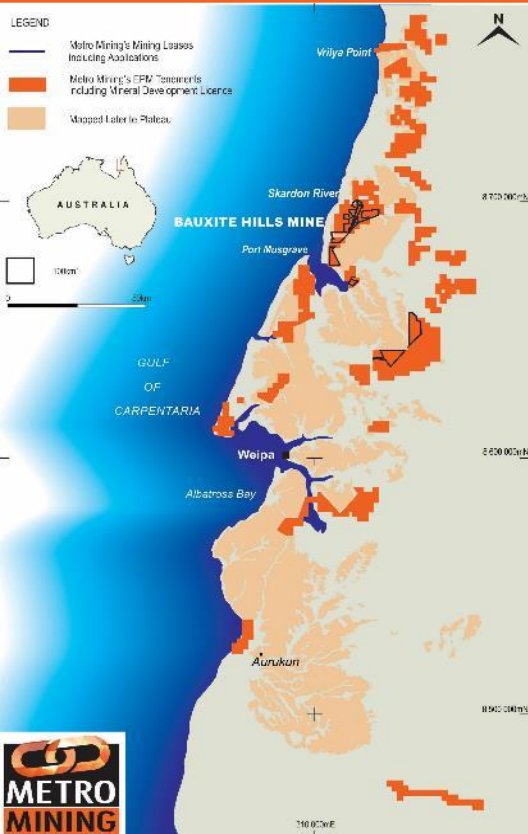
China Imported Bauxite Demand Forecast

China Bauxite Imports (Mt)



Source: CM Group

Regional Exploration



- Metro's exploration exposure covers >1,800km² of holdings (including Bauxite Hills) on Cape York
- All tenements are well located on the lateritic plateaus that host bauxite mineralisation
- Close proximity to the coast
- Potential to duplicate Bauxite Hills – internal growth
- Ongoing exploration work planned for 2018
 - Reconnaissance sampling
 - Drilling of priority targets
- Identify other opportunities on Cape York and in other prospective locations.

Welcome to Country

Ankamuthi Elders George Williams and Richard Woosup and Metro's Environmental heritage Support Officer Barunah "Bruno" Sagiba



Positive & Supportive Relationships with Local Community

- ▶ A "Welcome to Country Ceremony" was held at Bauxite Hills Mine site in April 2018.
- ▶ Major Ankamuthi family groups plus Metro's Chair Stephen Everett, Managing Director Simon Finnis, Project Director Mike O'Brien, Community Manager, Colleen Fish and Metro employees attended.
- ▶ Metro Managing Director Simon Finnis acknowledged the traditional owners past and present and the Official Welcome Ceremony was performed by Ankamuthi Elder George Williams.



Ankamuthi Elder, George Williams, is welcomed by Metro personnel

Summary – A Compelling Story

1

Metro has significant advantages and is backed by leading partners

2

Strong seaborne bauxite fundamentals in China drive positive outlook

3

Recent achievements have delivered platform for value creation

4

Exciting period ahead with production commenced in April 2018

5

Strategic appeal from being Australia's leading independent bauxite producer

6

Long-life mine ready to supply the burgeoning bauxite market

Success!



Disclaimer



FORWARD LOOKING STATEMENT

Statements and material contained in this ASX Announcement, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of Metro Mining Limited, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Graphs used in this ASX Announcement (including data used in the graphs) are sourced from third parties and Metro Mining has not independently verified the information. Metro Mining is at an early development stage and while it does not currently have an operating bauxite mine it is taking early and preliminary steps (such as but not limited to Prefeasibility studies etc.) that are intended to ultimately result in the building and construction of an operating mine at its project areas. Although reasonable care has been taken to ensure that the facts stated in this ASX Announcement are accurate and or that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors. Nothing in this ASX Announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

COMPETENT PERSON'S STATEMENT

The information in this ASX Announcement that relates to Exploration Results is based on information compiled by Neil McLean who is a consultant to Metro Mining and a Fellow of the Australian Institute of Mining and Metallurgy (F.AusIMM). Mr. McLean has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. McLean consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

COMPETENT PERSON'S STATEMENT

The information in this ASX Announcement to which this statement is attached that relates to the "Metro Mining – Bauxite Hills" Reserves is based on information compiled by MEC Mining and reviewed by Edward Bolton, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Edward Bolton is a full-time employee of MEC Mining Pty Ltd. Edward Bolton has sufficient experience that is relevant to the style of mineralization, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Edward Bolton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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