

Metro Mining Raises A\$25.4 Million with strongly supported Placement and announces an SPP issue to raise up to A\$2 Million

Metro Mining Limited (ASX: MMI) (**MMI** or the **Company**) is pleased to announce that:

- Binding commitments have been received for A\$18.9 million via a two-tranche placement (**Placement**) and A\$6.5 million loan conversion;
- The Company will offer a share purchase plan (**SPP**) to eligible shareholders of MMI on the record date, 7.00pm on 27 July 2022 (**Record Date**), to raise up to an additional A\$2 million;
- Proceeds from the Placement and SPP will fund early proportion of expansion capital to 7Mtpa, feasibility studies for the beneficiation plant and Kaolin export project, working capital and offer costs; and
- As part of the A\$25.4 million capital raising, a portion of the Greenstone & Lambhill short-term unsecured shareholder loans of A\$6.5 million will convert into shares at the same price as the Placement in tranche two (**Loan Conversion**).

MMI has received binding commitments for a A\$18.9 million two – tranche Placement, at A\$0.02 per New Share, and a A\$6.5 million Loan Conversion.

Capital raised under the Placement will be primarily applied to the expansion project and further growth, as the Company seeks to ensure its operational expansion to 7Mtpa is delivered on time and budget. Approximately A\$11 million will be utilised to fund accelerated deposits and progress payments on the key components of the floating crane barge, site infrastructure and project management. A\$3 million will be utilised to accelerate value added growth studies including wet beneficiation, providing the potential to operate year-round and improve product grades, and bulk kaolin bi-product sales, by taking advantage of this current dry season drilling programme to gather samples and do test-work for both projects. The remainder of the funds raised will be applied to working capital and offer costs.

Petra Capital Pty Ltd and Shaw and Partners Limited acted as Joint Lead Managers and Bookrunners to the Placement.

Simon Wensley, MD and CEO, of MMI commented:

"We are delighted with the strong support for the Placement and welcome a number of highly credentialled investors to the register. On behalf of the Board, I would also like to thank our existing investors for their ongoing support."

In addition to the Placement, we are pleased to be offering a share purchase plan, where eligible shareholders on the record date, can apply for up to A\$30,000 worth of shares at the same price as the Placement.

This is an exciting and transformational juncture in our Company's development. After recovering some resilience in the business, this capital underpins the highly value accretive expansion at a time when the bauxite market is undergoing significant growth. We look forward to putting investors' money to good use."

Placement Details

The Placement price of A\$0.02 per New Share presents a discount of 16.7% to the last closing price of MMI shares traded to 26 July 2022, and a discount of 12.7% to the 10-day volume weighted average trading price (preceding the date of this announcement) (**VWAP**).

The Company will issue 747,192,417 shares (A\$14.9 million) in Tranche One of the Placement (448,315,448 shares under ASX Listing Rule 7.1 and 298,876,969 shares under ASX Listing Rule 7.1A). Settlement of Tranche One of the Placement is expected to occur on 1 August 2022 with allotment on 2 August 2022.

Tranche Two of the Placement of A\$4 million (199,262,904 shares), and the conversion of A\$6.5 million of unsecured shareholder loans (323,581,000 shares) will be issued subject to shareholder approval at a general meeting of the Company to be held on or around 15 September 2022. Settlement of Tranche Two of the Placement shares is expected to occur on 19 September 2022, with allotment of both Tranche Two Placement Shares and the Loan Conversion shares are expected on 20 September 2022.

The new shares will rank equally with the Company's existing fully paid ordinary shares from issue.

SPP Details

MMI is pleased to announce a SPP, capped at A\$2.0 million, to its existing Shareholders with registered addresses in Australia and New Zealand as at 7.00pm (Sydney, Australia time) on the Record Date of 27 July 2022 (**Eligible Shareholders**).

The SPP will provide each Eligible Shareholder with the opportunity to apply for up to A\$30,000 worth of Shares at \$0.02 per share, the same price as the Placement and Loan Conversion.

The SPP offer document (**SPP Offer Document**) containing further details of the SPP will be released separately and Eligible Shareholders wishing to participate in the SPP should carefully read the SPP Offer Document.

Timetable

The timetable below is indicative only and subject to change, MMI reserves the right, in compliance with the ASX Listing Rules the *Corporations Act 2001* (Cth), to change any date in the timetable without prior notice.

Record Date for SPP	7:00pm, 27 July 2022
Announce Placement and SPP	28 July 2022
Settlement Tranche One Placement Shares	1 August 2022
Allotment Tranche One Placement Shares	2 August 2022
Dispatch SPP Offer Booklet and SPP opens	8 August 2022
Dispatch Notice of General Meeting	8 August 2022
SPP closes	22 August 2022
Announce results of SPP	25 August 2022
Shares issued under SPP	29 August 2022
SPP shares commence trading on ASX	30 August 2022
General Meeting	15 September 2022
Settlement Tranche Two Placement Shares	19 September 2022
Allotment Tranche Two Placement Shares	20 September 2022

Authorised for lodgment by the Board of Directors.