

21 September 2016

## Strategic Increase in Gulf Ownership

Metro Mining Limited (ASX:MMI) ("Metro") is pleased to announce it has entered binding agreements to increase its ownership in Gulf Alumina Limited ("Gulf") to approximately 39% of the total issued capital of Gulf.

Under these agreements Metro will acquire the shareholdings of four long-term Gulf shareholders. Total cash consideration for the acquisition is approximately \$8.5 Million to be funded by an unsecured loan facility which has been arranged by Metro on commercial terms.

Following the acquisition, Metro's cash position will be approximately \$8.9 Million.

Metro's key focus continues to be the near term development of its 100% owned Bauxite Hills Project in Cape York, while remaining open to bringing about the logical combination of Metro and Gulf's projects to unlock significant synergies and commercial benefits for the shareholders of both companies.

Metro looks forward to providing further updates on key development progress for the Bauxite Hills Project in due course.

