

ASX ANNOUNCEMENT

Explore | Define | Mine

23 May 2019



AGM

Chair & Managing Director's Address



ASX: MMI | ACN 117 763 443

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

Contact: Simon Finnis, MD & CEO | Mitchell Petrie, Company Secretary | Duane Woodbury, CFO

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

Registered Office & Head Office: Level 2, 247 Adelaide Street, Brisbane Q 4000

Postal Address: GPO Box 10955, Brisbane Q 4000

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AGM Chairman Address

My fellow Directors, Ladies and Gentlemen

Welcome to yet another AGM!

Metro's shift to calendar year financial reporting required us to publish the latest Annual Report and convene this Annual General Meeting even though our last AGM was held on 20th November last year.

For the financial year ended 31 December 2018 we reported that gross profit from the Bauxite Hills Mine totalled \$9.6Million and group profit before tax was \$2.19Million.

I think it is fair to say Metro is on its way!

We shipped over 2 million tonnes of bauxite in 2018 and we have announced upgraded production guidance to 3.5 million tonnes for this year.

Since the beginning of this year we have:

- Finalised works to upgrade the mine site and transhipping facilities and mobilised necessary equipment & personnel to enable us to meet the 3.5million tonne production target
- Progressed the review of the DFS for the expansion to 6Mtpa. I expect the DFS will be released in the June quarter
- Shipped (under often difficult weather conditions) over 350,000 WMT of ore

At this point I would like to take this opportunity to welcome Fiona Murdoch to the Board. Fiona holds an MBA and Honours degree in Law and has over 28 years of experience in the resources and infrastructure sectors here and internationally. Her Board and executive experience bring considerable expertise to our company.

Fiona's appointment was announced early in March and I can assure you she has well and truly hit the ground running!

It's not my intention to simply repeat my comments in the published Annual Report at this meeting.

From a Board perspective, I assure you we are focused on the task ahead. Simply put, the expansion program has been completed and the team are getting on with the job.

The Board remains confident Metro will meet its increased production target this year. Shareholders will be kept informed of our progress and plans through the Quarterly Reports and regular updates. Any price sensitive matters will be made in accordance to ASX rules.

We are aware of comments in social media from time to time regarding the company's operations. The Board takes its responsibilities of continuous disclosure very seriously. I can assure you that those obligations are always considered and complied with.

Should shareholders have questions on any issues, including those on social media, they should contact the company direct. A good way to do this is via email directed to info@metromining.com.au

Australia's recent Banking Royal Commission has highlighted that companies cannot cast aside their social and moral responsibilities. They should not hold a single focus.

Metro's Charter does encompass equal priorities. These include:

Our People, Our Purpose, Our Productivity & Our Profit.

We are in the business of constantly reviewing and sustainably increasing value for all our stakeholders.

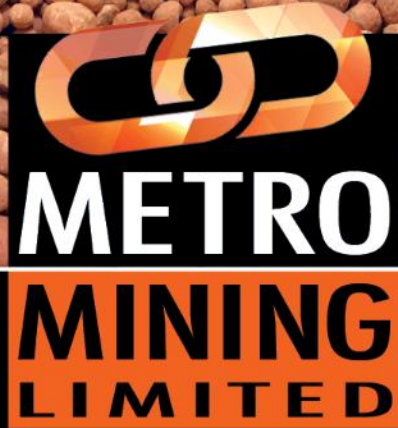
We have a strong focus on environmental, social and governance practices.

I am particularly pleased with our ongoing relationship with the traditional owners. We are playing a significant role in creating and providing local employment opportunities. We are also providing business opportunities where we can and are grateful that we enjoy their continued support.

We are committed to providing a safe place of work for our people and strong environmental management, including progressive rehabilitation as we mine out sections of the orebody.

In closing, I reiterate that the Board appreciates the efforts of all our people – those on site, those in Brisbane, our contractors and their employees – in getting us to where we are today.

I sincerely thank all members of your Board for their ongoing commitment and effort. I also thank all shareholders for their continued support.



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Annual General Meeting – 23 May 2019

Highlights

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1

2018 Bauxite Production of 2.04M Wet Metric Tonnes (WMT) – Guidance met

2

Bauxite Hills Profitable – Mine EBITDA of A\$8.6M in December Quarter 2018

3

Operations have recommenced – first 5 ships loaded and have sailed

4

Confirm 2019 production guidance of 3.5M WMT

5

75% of 2019 production already sold.

6

Bauxite Market – Chinese Imports at record level



Share Price & Corporate Structure

Share Price Performance



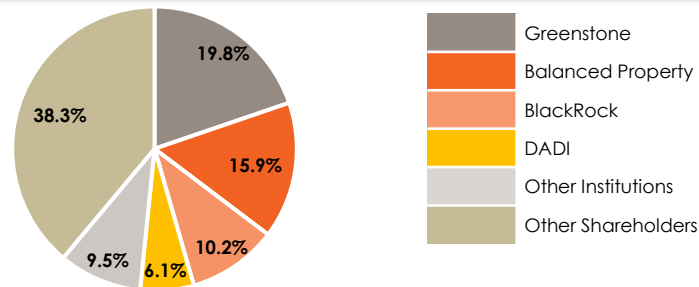
Board of Directors

Independent Chairman	Stephen Everett
Managing Director & Chief Executive Officer	Simon Finnis
Non-Executive Director	Mark Sawyer
Independent Non-Executive Director	Philip Hennessy
Independent Non-Executive Director	Fiona Murdoch

Capital Structure

Share Price (20 May 2019)	A\$0.14
Shares on Issue	1,383.4M
Market Capitalisation	A\$193.9M
Options Unlisted	30.1M
Cash and Receivables (31-Mar-2019)	A\$13.2M
Debt Facilities	A\$41.8M
Enterprise Value	A\$222.5M

Share Register

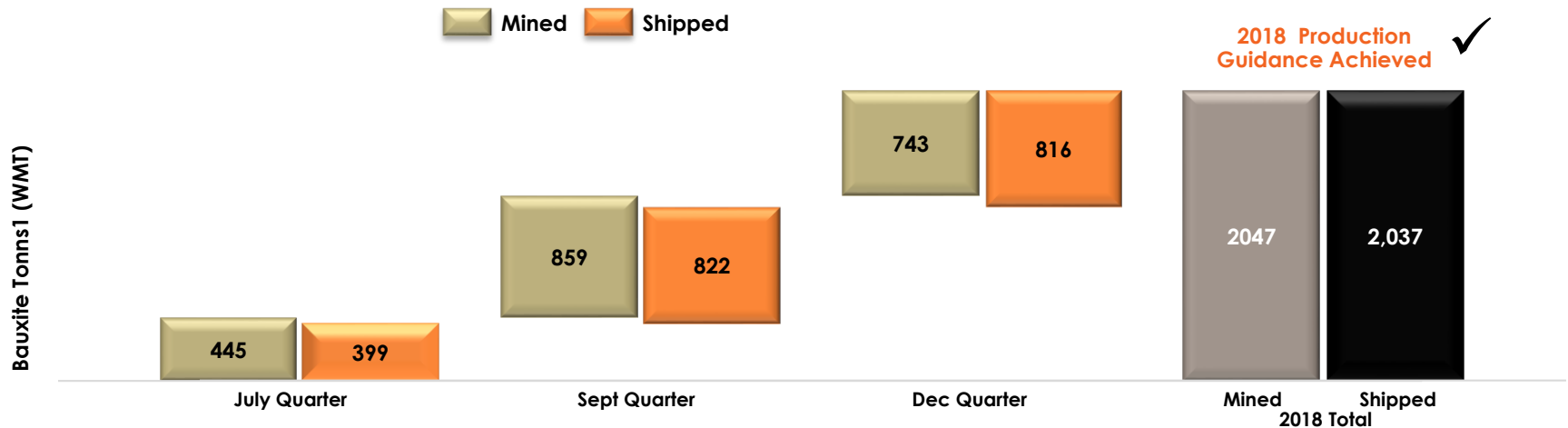


2018 Production Results

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- 2018 Production Guidance of 2M WMT Achieved
- Challenging first quarter 2018 - pleasing ramp-up profile thereafter
- 100% of production sold to 5 separate customers
- Last quarter 2018 profit a good reward for effort

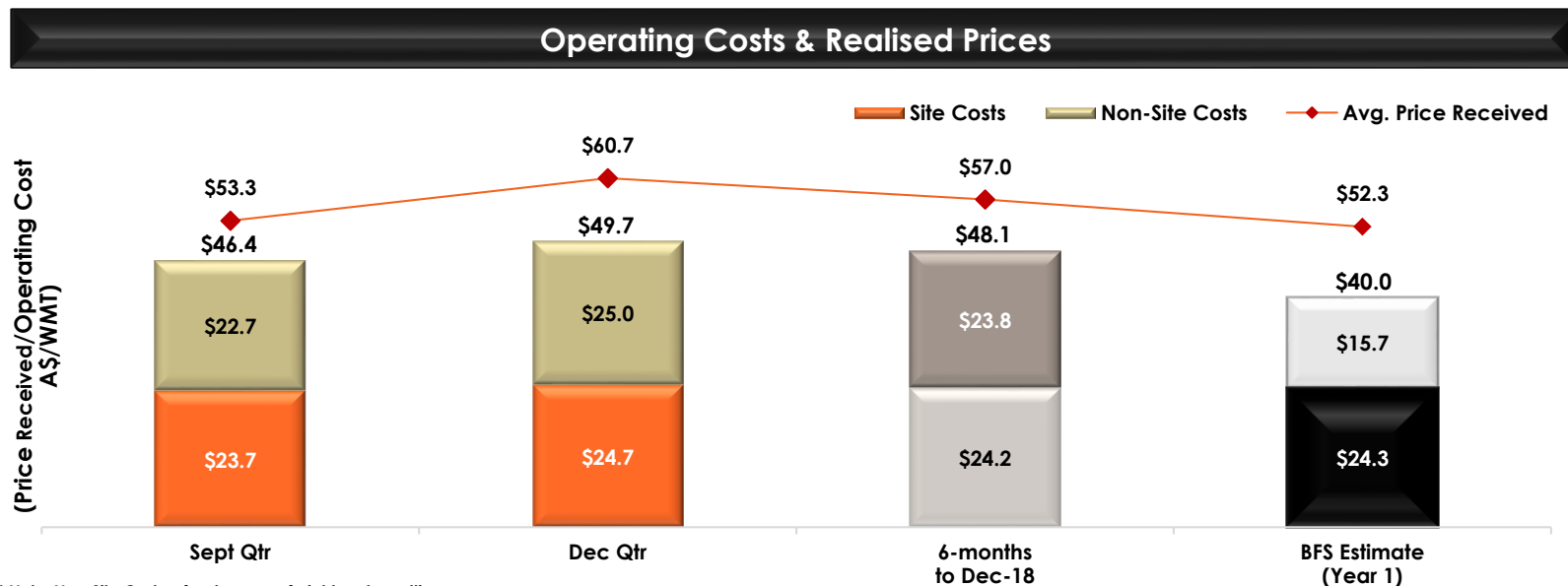
Mined & Shipped Bauxite



Operating Costs & Realised Prices

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- Solid ramp-up margins, despite weather disruptions and lower AUD/higher bunker fuel prices that increased freight costs
- Site operating costs and realised prices compare favourably to BFS completed in March 2017 for same ramp-up period
- Significant cost reductions identified and expected to be realised in 2019 and beyond

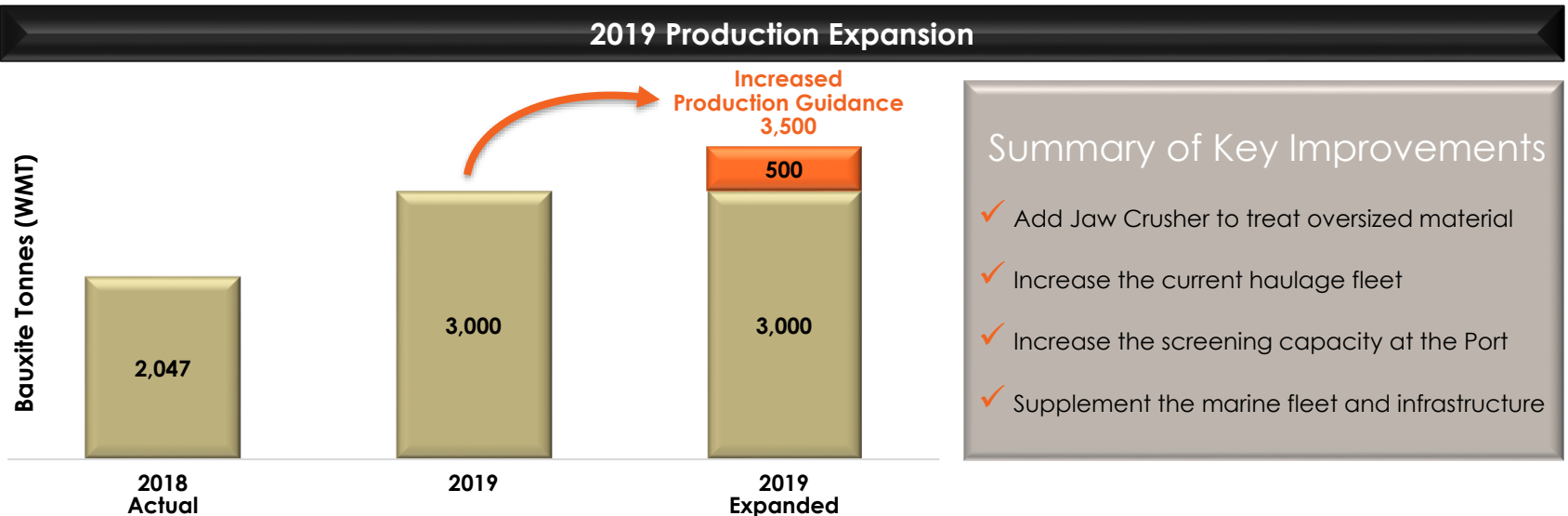


* Note: Non-Site Costs refers to ocean freight and royalties

2019 Production Upgrade

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- 2019 production guidance upgraded from 3.0M WMT to 3.5M WMT, an increase of approximately 17%
- 75% of 2019 expanded production already sold
- Low capital cost improvements to support expansion are complete
- Increased production profile will reduce unit costs
- Logical transition to owner/operator accelerated to start in 2019 – Recruitment complete



2019 on Track

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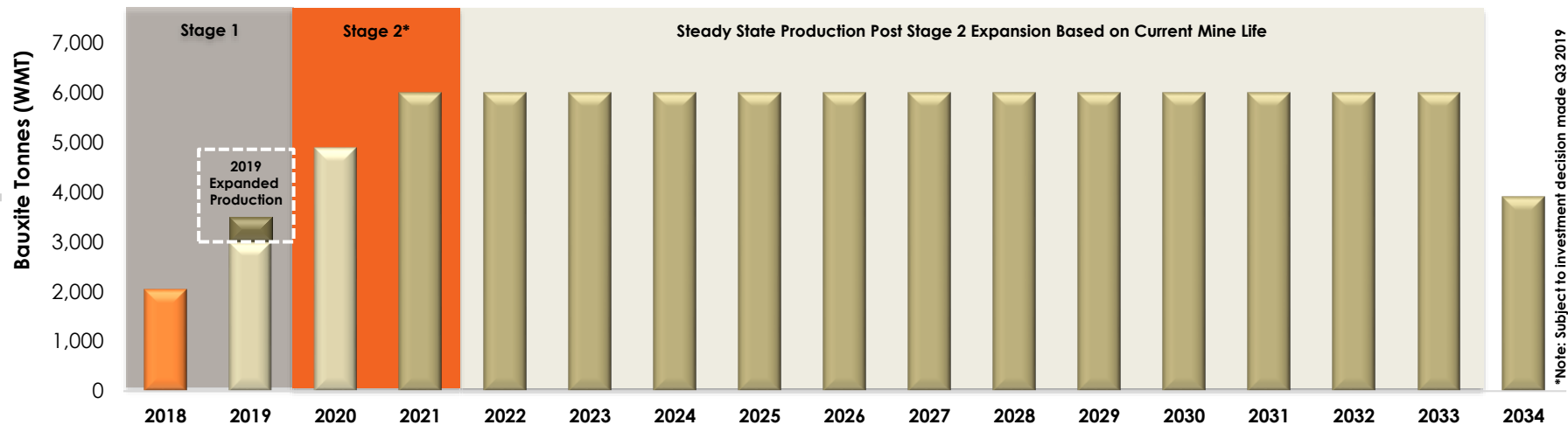
- Expansion works complete
- Slightly delayed start due to TC Trevor – wet material hampered initial progress
- Large trailers started arriving 11th May – immediate and positive production impact
- Haulage already meeting 3.5Mt run rate – average > than 14,000tpd recently
- New and larger tugs in operation from commencement
- A few transhipping shifts have been lost due to weather impacts
- New large barges arrived 15 May – immediate & positive production impact
- Most recent vessel completed in 4.5 days



Stage 2 Expansion Opportunity

- 2019 production expansion brings forward improvements and upgrades included in Stage 2 Expansion
- DFS for Stage 2 Expansion (6.0M WMT pa by 2021) being refreshed and on track for completion mid-2019
- Board approval is subject to DFS results, financing proposals and offtake support
- Step-changes in scale deliver opportunity to lower unit costs and generate significant EBITDA over long mine life
- Expectation is Stage 2 CAPEX will be funded from internal cashflow and/or debt

2019 Production Expansion



*Note: Subject to investment decision made Q3 2019

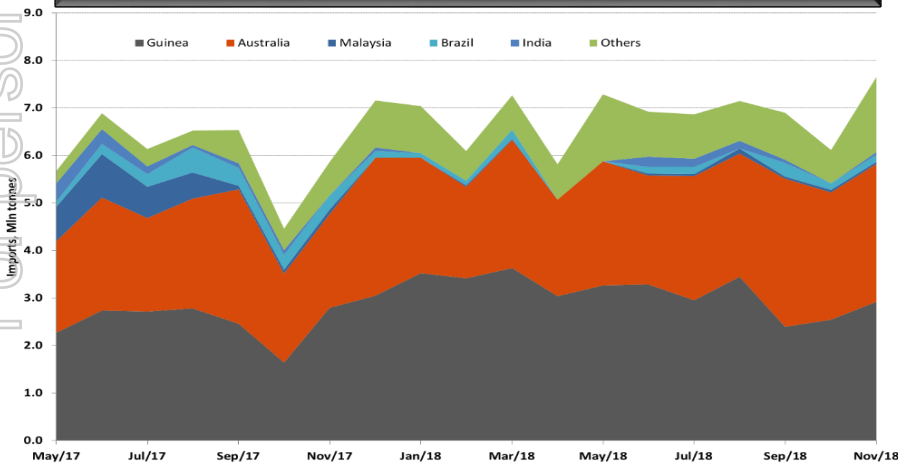
Market Outlook

Source: CM GROUP

Bauxite

- China imports continue to increase with total 2018 imports exceeding 82M WMT, 2019 on track for >90Mt
- Strong demand from inland Chinese refineries - domestic bauxite supply has been impacted by resource depletion, recent mine closures and environmental audits
- Strong supply side response from Guinea

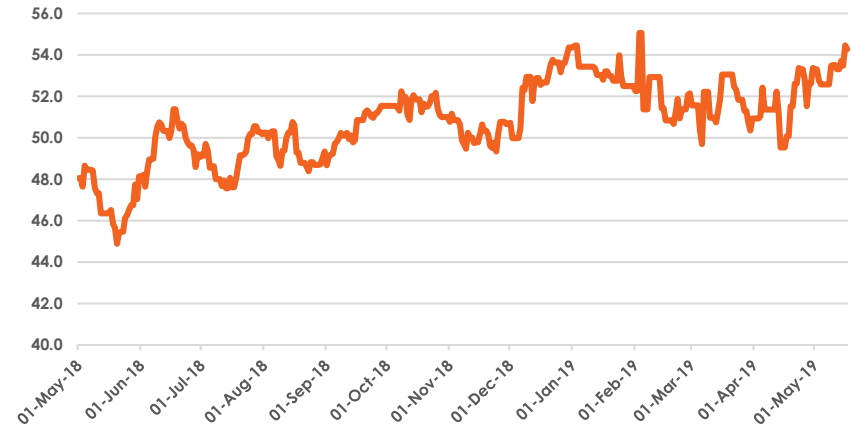
China Bauxite Imports by Major Country



Alumina

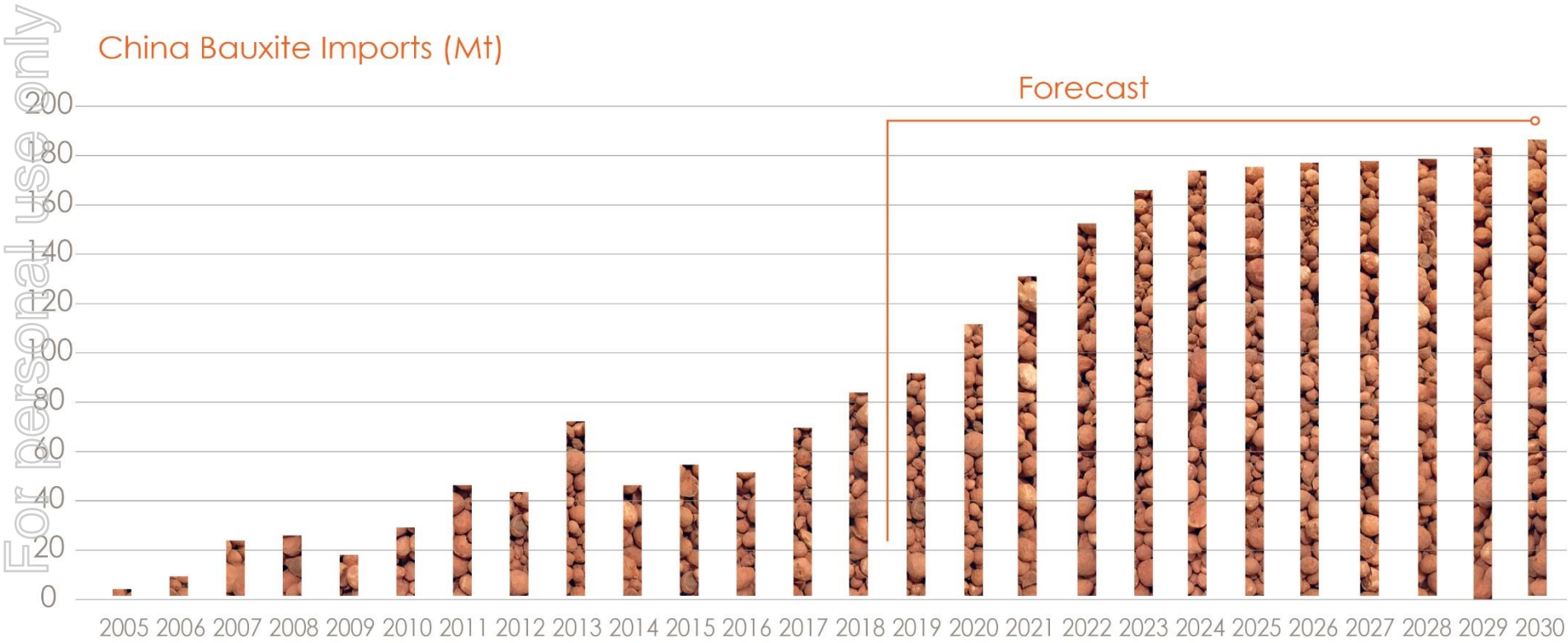
- Various issues causing recent volatile Alumina Price
 - Alunorte (Brazil) partial closure 2018
 - Shanxi refinery closures 2019
 - Alumina demand in China

CBIX Bauxite Index – Last 12 Months – US\$/DMT



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China Demand Outlook Remains Strong



Source: CM Group

Positive Community Relationships

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Summary – A Growth Company

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- 1 Metro has moved from Developer to Operator
- 2 Successful development – on time and on budget
- 3 2018 Production went as planned – not without challenges
- 4 Proof of operational concepts – Guidance Met
- 5 2019 expansion has gone well and we're on track for 3.5WMT
- 6 Metro has a reputation of achievement
- 7 Bauxite Hills is a long-life mine supplying bauxite from a stable jurisdiction
- 8 Strong seaborne bauxite market to China driving positive demand
- 9 Growing production rates provide ongoing value creation

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 report that relates to the Bauxite Hills Mine Mineral Resource is based on information compiled by Ed Radley who is a consultant to Metro Mining and a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). Mr Ed Radley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Ed Radley has consented in writing for inclusion in this Report the matters based on the information in the form and context 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.

For Further Information

Contact: Simon Finnis – Chief Executive Officer & Managing Director | Chief Financial Officer – Duane Woodbury
Ph: +61 (0) 7 3009 8000 | Head Office: Lvl 2, 247 Adelaide Street, Brisbane Q 4000 | GPO Box 10955, Brisbane Q 4000