Metro Mining Limited
Quarterly Activities Report
October – December 2024

KEY HIGHLIGHTS

- **Record Q4 shipments totalling 2.1 million wet metric tonnes (WMT)- up 22% YoY**
- **Expansion delivers record CY 2024 shipments of 5.7 million WMT- up 24% YoY**
- **Q4 FOB pricing up 16% from Q3 2024 reflecting strong market conditions**
- **Site EBITDA margins $17.4 /WMT**
- **6.9 million WMT contracted for 2025 with multi-cargo offtake contracts with Chalco, EGA (UAE) and Lubei enhancing and diversifying Metro's customer base**
- **Restructure of senior debt and royalty with Nebari Partners LLC completed**
- **Junior debt of A$11.7M repaid to lenders**
- **$42M in cash and trade receivables at end of quarter**

Metro Mining Limited (ASX: MMI) ('**Metro**', the '**Company**') is pleased to deliver its Q4 2024 operational update. As announced on 6 January 2025[1], the Bauxite Hills Mine has during Q4 demonstrated its capacity to consistently operate at the expansion project target rate of 7 million wet metric tonnes (WMT) per annum. Despite adverse weather conditions in December, which forced the cancellation of the last vessel in the shipping schedule, total shipments for the quarter totalled 2.1 million WMT with total shipments of 5.7 million WMT achieved for the calendar year.

During the quarter Metro successfully completed a refinance of its senior debt and private royalty held by Nebari Natural Resources Credit Fund I, LP and Nebari Natural Resources Credit Fund II, LP (collectively, '**Nebari'**). Metro's remaining junior debt to Ingatatus AG Pty Ltd (**'Ingatatus**') and Lambhill Pty Ltd ('**Lambhill**') was also completely repaid.

Increased production is being delivered in a period of tightness in the traded bauxite market and aluminium value chain as benchmark prices for bauxite and alumina rose strongly towards the end of the quarter. Metro's average delivered prices were up 32% year-on year and approximately 16% over Q3. Quarterly contract prices are expected to increase further in Q2 2025 underpinned by offtake contracts from a high-quality customer portfolio.

The new wobbler screening circuit and Offshore Floating Terminal (OFT) Ikamba combined to demonstrate throughput levels resulting in consistent outputs of approximately 800,000 WMT per month and moving the bottleneck to the barge loader (BLF) and tug/barge circuit. Quarterly costs were impacted by a weather affected December and one-off expansion costs, however, margins rose to $17.4/WMT. With BLF and transhipping assets getting significant focus during the maintenance shutdown, we expect the annual shipment target of 6.5 to 7.0 M WMT will deliver further economies of scale with site operating cost efficiency also a major focus area for 2025.

Net cash flow from operations has been strong at $34M. Debt repayment of $11.7M was made to leave $31M cash in bank and $11M of trade receivables by the end of the quarter.

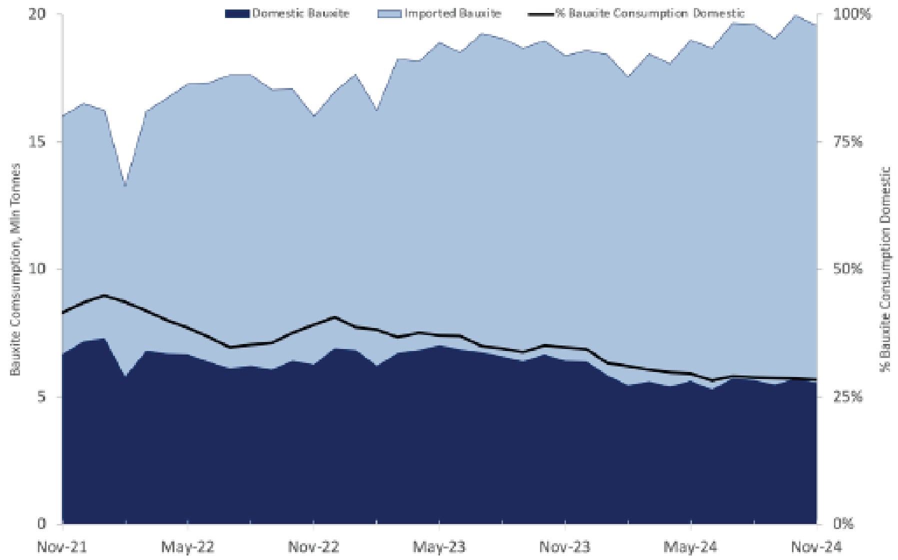
Simon Wensley, CEO & MD of Metro Mining said: "Whilst our Q4 results are starting to show industry leading margins, I am also extremely pleased with the delivery and risk reduction in all parts of the business. Confirming our expanded production capability, restructuring and lowering the cost of our balance sheet, upgrading and diversifying our customer portfolio sets Metro up strongly for the future. This couldn't come at a better time as bauxite prices hit record levels. I'd like to pay tribute to the hard work and continuous problem-solving efforts of the MMI and contractor teams, which will underpin continuous improvement from this point."

[1] https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02900641-2A1571989

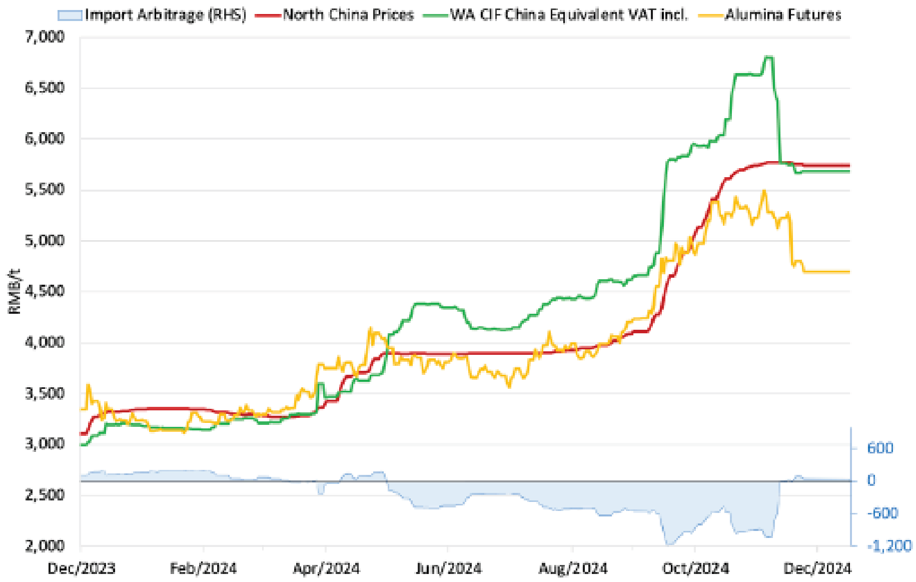
Bauxite market

As the prices for alumina rose strongly to record levels above US$700/MT, the demand for traded bauxite continued to be strong in Q4. Bauxite imports to China reached 159 million tonnes (MT) for the full CY 2024, a successive CY record up 12% over CY 2023.

China Bauxite Consumption- Imports and Domestic (Mt/month; CM Group)

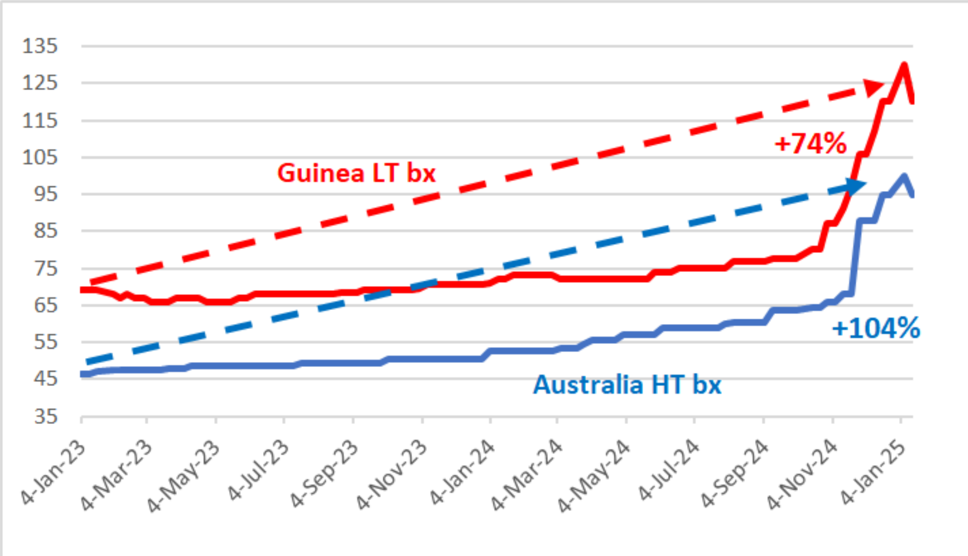


Traded Alumina Prices- China and International (RMB/t; CM Group)



This is having a positive effect on the bauxite market pricing. The most recent spot market pricing (CM Group) shows continued firming price for Guinea bauxite at US$120 /DMT, up 74% since January 2023, and prices for Australian high temperature (HT) bauxite at US$95 /DMT, up 104% over the same period, with the strongest rise in the last 6 months.

Traded Bauxite Prices Jan 2023 to Jan 2025 (US$/DMT CIF China: CM Group)



Metro's average FOB equivalent prices have risen approximately 32% from Q3 2023 and 16% from Q3 2024 broadly representing the market conditions at the time of negotiation for the open volume, adjusted for moisture and quality.

As related above, spot prices rose again strongly towards the end of Q4 as shown in the above graph. MMI will not negotiate price for Q1 2025 due to the wet season pause in shipments and will be entering the market again in February for Q2 2025 open volume.

Metro's customer mix for 2025 has been strengthened with multi-cargo contracts signed with Aluminium Corporation of China (Chalco), the largest Aluminium Producer in the world, and Shandong Lubei Chemical (Lubei), both in addition with existing contracts with Xinfa Aluminium Group. Following the trial cargo to Emirates Global Aluminium's (EGA) large Al Taweelah refinery in Abu Dhabi in 2024, a multi-cargo contract has been signed with EGA for 2025 resulting in a total contract offtake for 2025 of 6.9 M WMT.

Operational Performance

Production, Costs and Margins

Production Results (WMT) ('000)	Q4 2024	Q3 2024	Q4 2023
Bauxite Mined	2,046	2,148	1,647
Bauxite Shipped	2,056	2,130	1,688
Unit Operating Results (A$M/WMT)			
CIF Pricing[1]	*72.7*	*65.3*	*56.5*
FOB Revenue[2]	**51.0**	**44.0**	**38.5**
Costs			
Site Costs	26.2	23.6	26.0
Royalties	7.2	6.6	5.5
Total	**33.4**	**30.2**	**31.5**
Site EBITDA	**17.4**	**13.8**	**7.0**

Note 1 – Realised pricing for CIF basis sales only.

Note 2 – Total realised pricing for FOB and CIF basis sales (total revenue from customers less ocean freight costs, if applicable)

Bauxite Hills Mine Operations

Q4 has resulted in a continuation of the successful expansion ramp-up of production from Q3. Key expansion assets, the Ikamba Offshore Floating Terminal, two additional 90m barges, an additional tug, as well as the new wobbler screening circuit have proven to provide a steady state mine to ship production stream at target rates.

The delivery of additional Scania prime movers and trailers now provides the capacity to operate 10 quad configuration road trains operating from four mining locations. The new screening circuit, including the wobbler screen, continues to achieve 1,600 tonnes per hour (tph) nameplate throughput, and with the December onset of the wet season was able to continue to screen wet ore to maintain consistent throughput to meet production requirements.

In-line with our continuous rehabilitation commitments, a record of 185.3 hectares has been prepared for seeding during the wet season, with 150.2 hectares seeded. The balance of the seeding will be completed in Q1 2025.

The annual grade control program was completed in December, adding an additional ~ 7 – 9Mt of ore modelled and available to mine for the 2025 season.

Marine Operations

In October, Ikamba carried out a performance test for 72 hours which resulted in a daily average of 27,000 WMT. This demonstrates Ikamba's operating capability to meet the expanded production profile for Bauxite Hills Mine. Ikamba set another 24-hour record on 9 October, transhipping a total of 28,708 WMT on 9 October. Daily transhipment records for dual-loading OGV's were also set in October and November, with totals of 33,364 WMT and 35,976 WMT respectively.

A series of barge groundings occurred in October and November, resulting in a temporary shipping restriction in respect of the under-keel clearance level of barges and reducing the amount ore that could be loaded onto each barge. A root cause analysis was completed, remediation actions taken and normal operating protocols restored. There was no cargo spillage or damage to the marine ecosystem resulting from these groundings, and relevant authorities were notified.

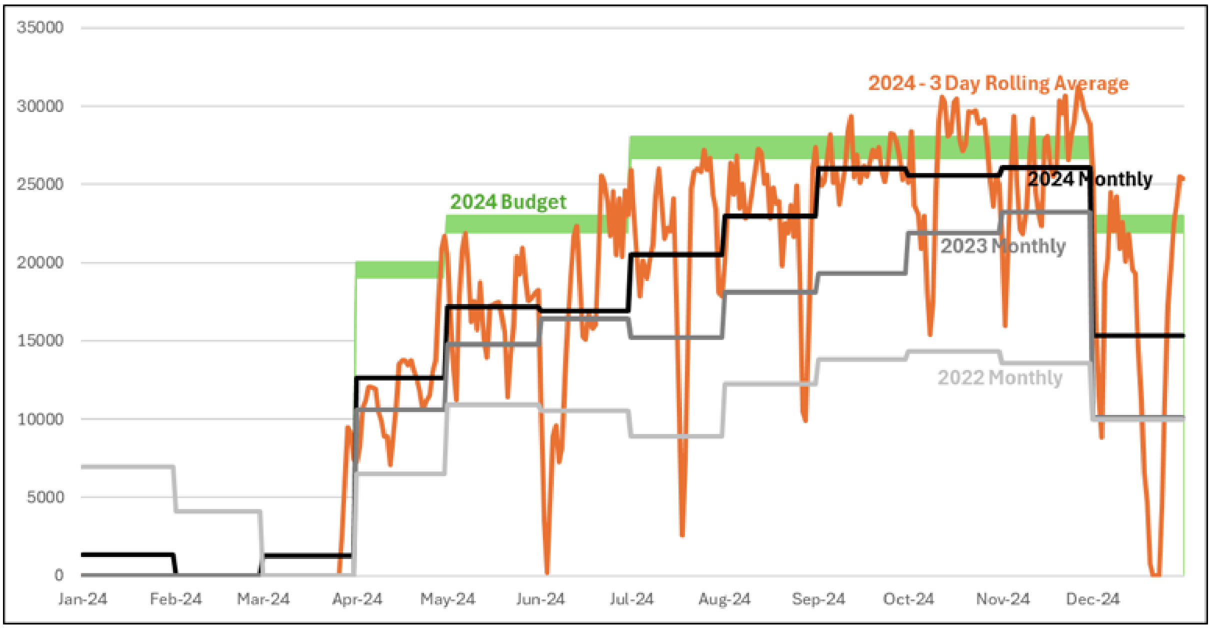
During the quarter Ikamba maintained performance levels of 80% operating capacity, similar to that achieved during Q3. However, due to belt damage by a foreign object, a decision was taken to reduce Ikamba's operating capacity and schedule planned maintenance activities in conjunction with maintenance activities at the barge loading facility to ensure continuity of transhipping activities until the end of the production season.

In December, adverse weather conditions hampered transhipping operations for a period of approximately 10 days. Pleasingly, during the period of adverse weather Ikamba demonstrated good operational resilience, remaining offshore and was able to safely take advantage of loading windows, where previously no transhipping would have occurred. The weather conditions, however, did impact overall shipments in December, although our best ever December result was still achieved. Total shipments for the quarter were as follows:

Month	**Shipments (WMT)**
October 2024	793,420
November 2024	782,672
December 2024	476,570
Q4 total	**2,052,662**

Ikamba loading an OGV in October 2024.

Shipments: 2022. 2023, 2024 YTD (monthly and 3 day rolling average)



Safety Performance

Metro's safety statistics for the quarter (October – December) were as follows:

Safety statistic	Bauxite Hills Mine	Ikamba
Serious Accident	1	0
High Potential Incident	2	0
Lost Time Injuries	0	0
Medical Treatment Injuries	0	0
First Aid Injuries	7	1

Key safety activities and initiatives undertaken between October and December included:

- Preparatory activities in anticipation of the commencement of cyclone season;
- Site-wide toolbox to discuss safety strategies in advance of the hotter and wetter part of our production season;
- Review and update of Bauxite Hills Mine induction package for 2025;
- Ongoing enhancement of the Ikamba safety management system.

The Bauxite Hills Mine achieved its site safety targets for 2024 and, site safety elements have also been achieved consecutively each month since August. Regrettably, however, during the quarter one of our contractor employees was injured in a trip and fall incident at the camp, resulting in multiple injuries and designation as a Serious Accident. An investigation into the incident has been conducted to determine the cause of the incident and identify any appropriate remedial actions.

Mining Exploration Activities

During the period further resource delineation drilling was carried out on MDL423 and exploration drilling on EPM26144 and EPM15376. Sample analysis results are due in early in Q1 2025.

Corporate

Senior debt refinance

During the quarter Metro announced the conclusion of its competitive refinancing process, culminating in a restructure of Nebari's senior debt and private royalty. The restructure successfully de-risks the balance sheet in the short-term and reduces financing costs in 2025 by A$4M.[2]

The key terms of the restructure were as follows:

- Conversion of Nebari's private royalty into a Tranche 3 Financing Facility of US$11.5M (A$18M)
- 2% reduction in the coupon rate across all tranches to SOFR +7%
- An additional stand-by tranche of US$10M (A$15M) made available at the lower coupon rate
- Principal amortisation will commence in July 2025 and reach maturity in March 2027
- Minimal establishment fees and no additional issue of warrants or options.

Junior debt repayment

The remaining junior debt of A$11.7m with Ingatatus and Lambhill was repaid in full during the quarter.

Financial position

Metro's financial position at the end of the quarter was as follows:

- Cash and trade receivables position was A$31.2M and A$10.8M, respectively.
- Senior Secured Debt facilities: US$ secured debt facility totalling US$56.6M, including an undrawn amount of US$5.0M. Amortisation of the facility commences in July 2025.
- Metro had in place A$/US$ currency hedges with total notional value of US$50M at an average exchange rate of AUD/USD 0.68.

Environment, Social, Governance (ESG)

Metro had no reportable environmental incidents during the quarter.

During the quarter our ESG activities included:

- Metro completed a gap analysis of its current systems, processes and data collection activities against climate-related financial disclosure legislation requirements and also completed its scenario-based climate change risk assessment which will be used to inform future climate related disclosures.
- Metro finalised its 2025-26 ESG Strategy and Roadmap which provides a comprehensive plan and areas of focus in respect of our ESG initiatives over the next two years.
- Metro introduced a new 988XE Electric / Diesel loader into service. Due to the success of the fuel reductions achieved during the trial period, additional loaders have been ordered and will enter service in 2025.

[2] ASX Release on 27 November 2024 - https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02886334-2A1564550.

- New, more fuel-efficient generators have been received at site to replace the current aging fleet. Installation of the new generators will be completed in Q1 2025.
- A review of the contracts and procurement framework to appropriately identify, manage and mitigate modern slavery risks was completed during the quarter. Additionally, Metro also identified its key suppliers and developed a high-level supply chain map as part of our ongoing risk management activities relating to modern slavery.
- Metro continued progressing its Reconciliation Action Plan activities during the quarter. At the end of the quarter, of the 41 actions, 31 are completed with the remaining actions to be settled in Q1 2025.

During the period Metro was awarded the Association of Mining and Exploration Companies 2024 Environment Award for its kaolin rehabilitation project. This project involved the rehabilitation of approximately 14 hectares of waterway habitat associated with the culturally and environmentally significant Namaleta Creek. The area was legacy disturbance left from previous kaolin mining activities.

James Gray, Environmental Specialist, and Mark Imber, Manager Environment, Tenements and Communities at the AMEC Awards

Tenement Schedule

The following tenements are owned 100% by the Metro Group.

Tenement	Project Name	State
EPM 25879	Southern Cape York	QLD
EPM 26144	Skardon West	QLD
EPM 26198	Skardon Gap West	QLD
EPM 27611	Skardon North West	QLD
MDL 423	Skardon North	QLD
MDL 425	Skardon South	QLD
ML 100130	BH1 Haul Road	QLD
ML 20676	Bauxite Hills 1	QLD
ML 20688	Bauxite Hills 6 East	QLD
ML 20689	Bauxite Hills 6 West	QLD
EPM 15278	Pisolite Hills North	QLD
EPM 15376	Ducie River	QLD
EPM 16755	Skardon River North	QLD
EPM 16899	Skardon River	QLD
EPM 17499	Eucid	QLD
EPM 18242	Skardon	QLD
EPM 18384	Skardon Channel	QLD
EPM 25878	Northern Cape York	QLD
ML 40069	Skardon Pipeline	QLD
ML 40082	Skardon Buffer	QLD
ML 6025	Skardon River No 1	QLD

The following tenements are owned 100% by the Columboola Joint Venture, of which the Metro Group is a 49% participant.

Tenement	Project Name	State
MDL 3003	Columboola A	QLD
MDL 3038	Columboola B	QLD
EPC 1165	Columboola	QLD

About Bauxite and Metro Mining

Bauxite is the ore used to make aluminium, a critical and high growth metal in the energy transition. Metro Mining is an independent bauxite producer and explorer, with its 100% owned Bauxite Hills Mine operating on the Weipa bauxite plateau approximately 95k, North of Weipa, near the coast on the Skardon River. Metro Mining produces a high alumina bauxite, shipping direct to customers in very large ore carriers. Metro Mining recognises and has productive agreements with the Traditional Owners of the land on which it operates and is proud of its high percentage of indigenous employees and the economic impact it has in Cape York and Far North Queensland.

Forward-Looking Statements

This report may contain 'forward looking statements' concerning the financial conditions, results of operations and business of the Company. All statements other than statements of fact are or may be deemed to be 'forward looking statements'. Often, but not always, 'forward looking statements' can be identified by the use of forward looking words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'continue', 'outlook', and 'guidance' or other similar words, and may include, without limitation, statements regarding plans, strategies and objectives of management, future or anticipated production or construction commencement date and expected costs, resources and reserves, exploration results or production outputs. Forward looking statements are statements of future expectations that are based on management's current expectations and assumptions, but known and unknown risks and uncertainties could cause the actual results, performance or events to differ materially from those expressed or implied in these statements. These risks include, but are not limited to, price fluctuations, actual demand, currency fluctuations, drilling and production results, resource and reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Metro does not give any representation, assurance or guarantee that the occurrence of these events expressed or implied in any forward-looking statements in this report will actually occur and does not make any representation or warrant, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates or forecasts contained in this report.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

METRO MINING LIMITED

ABN		Quarter ended ("current quarter")
45 117 763 443		**31 December 2024**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers (Refer: Note A)	133,974	315,201
1.2	Payments for		
	1. exploration & evaluation	-	-
	2. development	-	-
	3. production	(86,800)	(230,978)
	4. staff costs (Refer: Note B)	(11,517)	(32,661)
	5. administration and corporate costs	(1,919)	(5,282)
1.3	Dividends received	-	-
1.4	Interest received	4	123
1.5	Interest and other costs of finance paid (Refer to Item 3.9)	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**33,742**	**43,403**

Note A: 'Receipts from customers' is only cash received and excludes amounts outstanding under letters of credit.
Note B: 'Staff costs' include both corporate and operational staff.

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for		
	1. entities	-	-
	2. tenements	-	-
	3. property, plant and equipment	(3,166)	(17,141)
	4. exploration & evaluation	-	-
	5. investments in joint venture	-	(11,924)
	6. other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	1. entities	-	-
	2. tenements	-	-

		Current quarter $A'000	Previous quarter $A'000
	3. property, plant and equipment	-	-
	4. investments	-	-
	5. other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other (provide details if material)		
	- Release of / (payment for) Financial Assurance	(4,898)	(8,237)
2.6	**Net cash from / (used in) investing activities**	**(8,064)**	**(37,302)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,905	53,606
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2,600)
3.5	Proceeds from borrowings	7,672	27,290
3.6	Repayment of borrowings	(11,667)	(39,220)
3.7	Transaction costs related to loans and borrowings	(299)	(440)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
	- Interest Paid	(3,798)	(13,132)
	- Principal Elements of Lease Payments	(5,913)	(13,270)
	- Other	-	-
3.10	**Net cash from / (used in) financing activities**	**(11,100)**	**12,234**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	16,864	12,070
4.2	Net cash from / (used in) operating activities (item 1.9 above)	33,742	46,403
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8,064)	(37,302)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(11,100)	12,234
4.5	Effect of movement in exchange rates on cash held	(250)	(2,213)
4.6	**Cash and cash equivalents at end of period**	**31,192**	**31,192**

5.	**Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts**	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	31,192	16,864
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-

5.4	Other (Restricted cash)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**31,192**	**16,864**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1 (Refer: Note D)	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Note D: Payments to the The Cravern Group for consulting services performed in the current quarter. The Cravern Group is a related party to non-executive director, Douglas Ritchie.

7.	**Financing facilities** ***Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.***	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	91,007	82,964
7.2	Credit standby arrangements		
7.3	Other		
7.4	**Total financing facilities**		
7.5	**Unused financing facilities available at quarter end**		**8,043**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Nebari Partners LLC US$56.6M, SOFR + 7%, 13 March 2027. Secured

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	33,742
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	33,742
8.4	Cash and cash equivalents at quarter end (item 4.6)	31,192
8.5	Unused finance facilities available at quarter end (item 7.5)	8,043
8.6	Total available funding (item 8.4 + item 8.5)	39,235
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**N/A**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
N/A
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
N/A
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
N/A
Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2025

Authorised by: BY THE BOARD

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.