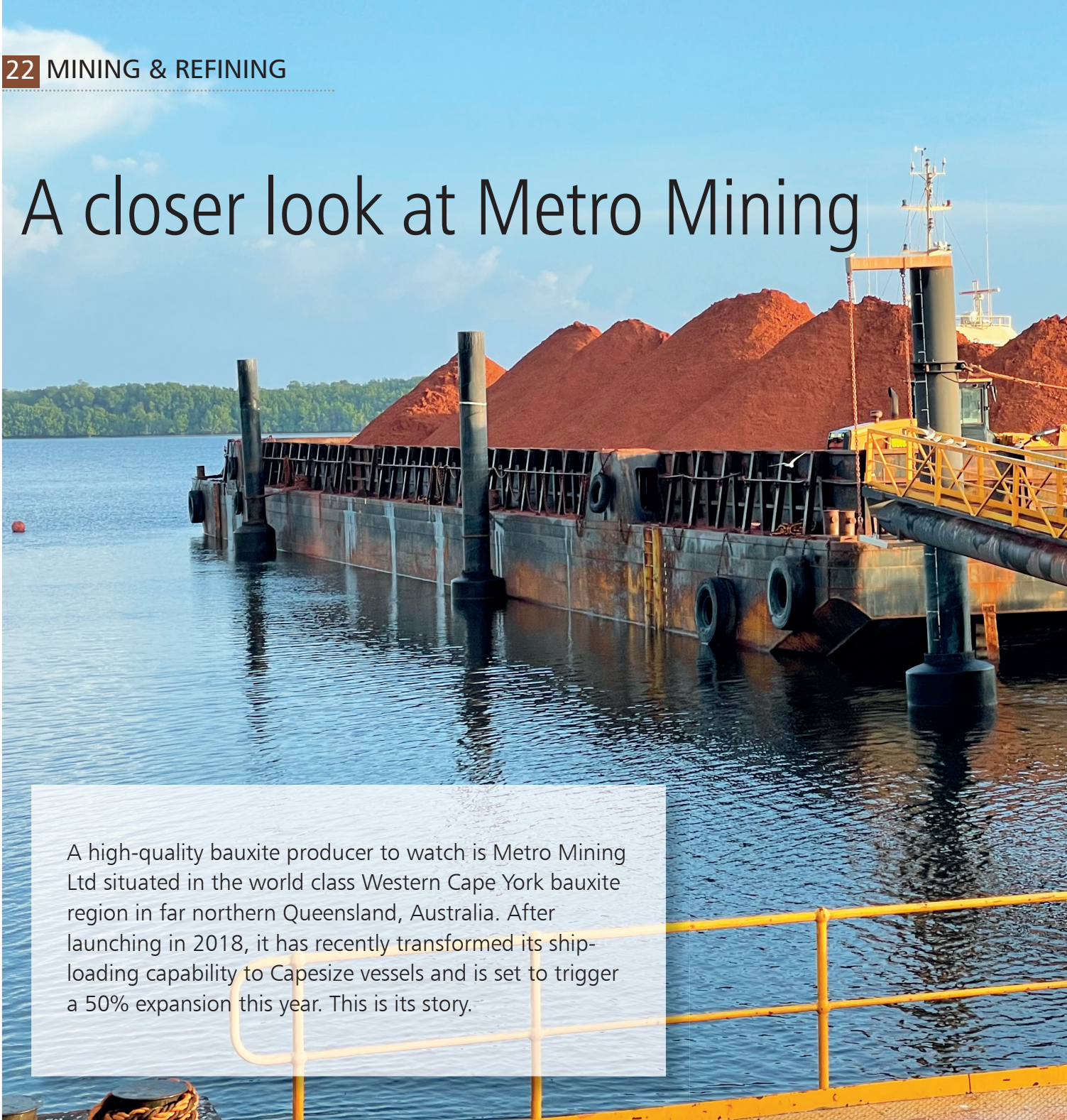


A closer look at Metro Mining



A high-quality bauxite producer to watch is Metro Mining Ltd situated in the world class Western Cape York bauxite region in far northern Queensland, Australia. After launching in 2018, it has recently transformed its ship-loading capability to Capesize vessels and is set to trigger a 50% expansion this year. This is its story.

In 1963 Comalco commenced commercial production at its now renowned Weipa bauxite mines. Today, the total capacity from Western Cape York exceeds 40 Million Tonnes Per Annum (Mt/a).

Metro Mining Ltd is the entity that emerged from the 2014 takeover of Cape Alumina Ltd by MetroCoal Ltd. Metro is listed on the Australian Stock Exchange (ASX: MMI) with mining operations having commenced in 2018 and based on the current reserves is expected to continue until at least 2037. It has earned a reputation as a major, independent, and reliable Australian bauxite producer.

The Bauxite Hills Mine has reserves of 100 Mt and resources of a further 30 Mt from leases which cover around 1,900 sq.

kilometres, one of the largest holdings in Western Cape York. The mine is located at Skardon River around 90km north of the township of Weipa. As a remote but world-class mining operation, Bauxite Hills boasts state-of-the-art infrastructure including an all-weather airstrip, modern camp, a screening and barge loading facility, haul and light vehicle roads.

Situated in a remote tropical savanna environment, Bauxite Hills is a relatively low energy and impact operation with minimal permanent footprint. One key advantage is the simple mining operation. The direct shipping ore is located near the surface and does not need blasting to allow mining. Once the ore is dry screened it is loaded onto barges that are towed out

to sea for trans-shipping into ocean going vessels, predominantly bound for China. Rehabilitation is conducted on an ongoing basis as soon as possible following mining to minimize degradation of topsoil and the contained seeds.

The introduction of a new \$14 Million Floating Crane Barge, "TSA Skardon", in 2021 to the Bauxite Hills operation resulted in Metro being the only bauxite supplier in Australia to service customers in the largest vessel class, cape size, with tonnages up to 180,000 metric tonnes.

Metro produces a classic Western Cape York-style pisolitic bauxite, one of the highest alumina bauxites in the world. Bauxite Hills Mine's proximity to Asia and large vessel capability has significant



is committed to ensuring Metro is a partner of choice for the local Ankamuthi people. Through the implementation of community engagement strategies and development activities we continue to look for opportunities to deliver long-term and sustainable benefits to our host communities and Metro remains committed to local employment and supplier programs."

Through 2021 Metro enjoyed an average 28% Indigenous staffing level, and through ongoing training initiatives and programs this is likely to increase to over 30% in 2022. During 2021 Metro was pleased to have paid approximately \$1.55 million in total royalties to the Ankamuthi and Old Mapoon Aboriginal Corporation Trusts and was pleased to see these royalties directly benefiting local people and our local communities, and in particular, being able to realise benefits to the communities through initiatives focussed around improving access to education and on-line learning, emergency relief and culture.

As Metro looks forward, it sees a bright future for Aluminium and its value chain. A critical metal for light-weighting and the energy transition, demand is assured whilst barriers to supply have risen along with economic rationality. As with other non-ferrous and base metals, a structural price re-rating should allow margins to grow in the up-stream value chain.

The CM Group is forecasting a 30 Mt/a increase in the Chinese bauxite market to 2031 but with an 80 mt/a increase in imports as domestic mines reduce supply. There will also be growth outside China.

Thus, demand for high alumina bauxite, located close to the alumina refineries and produced in a low risk jurisdiction in a low impact process provides customers with a compelling value and risk equation.

This positive environment is enhanced by Metro's market positioning to work with customers on meeting their needs through a high quality and consistent supply, low cost delivered freight solutions, technical service and a creative win-win approach to contracting. Metro expects that discussions will lead to further medium and longer term contracts which will underpin approval of an expansion from four to six million tonne per annum capacity later in 2022.

As well as expansion, Metro is actively working on improving value and sustainability through product quality upgrades, equipment productivity and renewable energy alternatives. ■



advantages including lower costs, reduced travel and turnaround times.

After commissioning, in 2018 Metro shipped over two million tonnes of bauxite to six customers in China. Since then, sales have increased to over three million tonnes per annum with the target for 2022 of four million tonnes.

Native Title and Land Access Agreements are in place and indigenous workers make-up a significant proportion of the mine's workforce and proudly, the mine enjoys strong community support. Metro CEO, Simon Wensley says:

"Mutual respect and building trust with our local communities remains paramount to Metro Mining's ongoing success. The Metro leadership team

