METRO MINING LIMITED

ASX ANNOUNCEMENT

2 August 2016

Listing Rule 3.10.5A Disclosure

Company Announcement Office
ASX Limited

For the purposes of Listing Rule 3.10.5A in respect of the shares issued in Greenstone as announced by Metro Mining Limited (**Company**) on 28 July 2016, the Company confirms the following in the case of 41,068,046 shares issued to Greenstone under the Company's ability to do so under Listing Rule 7.1A *:

(a) Details of the dilution to the existing holders of ordinary securities caused by the issue;

Number of shares on issue prior to the issue of the Greenstone shares	421,463,028
Total number of tranche 1 shares issued to Greenstone under *: • Listing Rules 7.1 of 53,731,954 shares; and • Listing Rule 7.1A of 41,068,046 shares	94,800,000
Total number of shares on issue following issue of shares to Greenstone	516,263,028
% dilutionary effect of the issue of shares under the Company's Listing Rule 7.1A capacity only (being 41,068,046 shares) to Greenstone on existing shareholders following the issue of the tranche 1 shares to Greenstone **	**8.88%**
% dilutionary effect of the issue of the total tranche 1 shares to Greenstone under Listing Rules 7.1 and 7.1A on existing shareholders following the issue of the total number of tranche 1 shares **	18.36%

* For the purposes of this disclosure, this is the total number of shares issued (and its dilutionary impact) by the Company to Greenstone under its ability to do so under Listing Rules 7.1 and 7.1A.

The total number of shares issued to Greenstone under the Company's capacity to do so under Listing Rule 7.1 and 7.1A was 94,800,000. Please refer to the Appendix 3B released by the Company to the ASX on 28 July 2016.

** Listing Rule 3.10.5A only requires disclosure in relation to the dilution to existing shareholders as a result of the issue of shares under Listing Rule 7.1A. Please note that this table also includes the dilution as a result of the issue of the total number of shares to Greenstone under Listing Rules 7.1 and 7.1A

(b) Where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate;

The issue of the shares to Greenstone is part of a strategic financing between the Company and Greenstone as announced to the ASX on 11 July 2016. The transaction reflects the establishment of a strategic relationship with Greenstone which underpins the financing and development of the Company's Bauxite Hills project and demonstrates the viability of the project.

(c) Details of any underwriting arrangements, including any fees payable to the underwriter;

There were no underwriting arrangements or underwriting fees payable by the Company in connection with the issue of the shares to Greenstone.

(d) Any other fees or costs incurred in connection with the issue.

The Company will pay a maximum fee of $209,447 in connection with the issue of the shares under Listing Rule 7.1A.