

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Metro Mining Limited (**Metro**)

ABN

45 117 763 443

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares in the Company (each a New Share). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 292,342,080 New Shares issued under the pro-rata non-renounceable entitlement offer announced on 24 February 2017 (Entitlement Offer). |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The New Shares are fully paid ordinary shares. |

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes.
5	Issue price or consideration	\$0.125 per New Share.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The proceeds of the Entitlement Offer, together with funds raised under the institutional placement announced 24 February 2017, will be used to fund: (a) the purchase of long lead time items required for the Bauxite Hills Mine; (b) environmental bonds and expenses required to commence early works for the Bauxite Hills Mine; (c) completion of the bankable feasibility study and to obtain final project approvals for the Bauxite Hills Mine; and (d) repayment of the outstanding balances of the bridging loan facilities provided by cornerstone investors Greenstone and the Baffle Box Mining Trust.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	22 November 2016.
6c	Number of +securities issued without security holder approval under rule 7.1	Nil.
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil.

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A.	
6f	Number of +securities issued under an exception in rule 7.2	292,342,080 New Shares.	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A.	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing rule 7.1 – Nil. Listing rule 7.1A - 29,234,209.	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	174,029,596 New Shares on 27 March 2017. 118,312,484 New Shares on 28 March 2017.	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		1,004,022,176	Fully paid ordinary shares
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		3,547,493	Directors' and employee options to acquire fully paid ordinary shares
		4,000,000	Options to acquire fully paid ordinary shares

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same as policy on all existing quoted fully paid ordinary shares
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Part 2 - Pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Non-renounceable.
13	Ratio in which the +securities will be offered	One New Share for every two existing shares held at 7.00pm on 3 March 2017.
14	+Class of +securities to which the offer relates	Fully paid ordinary shares.
15	+Record date to determine entitlements	3 March 2017 (7.00pm Sydney time).
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Fractions will be rounded up to the nearest whole number.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries except Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	5.00pm (Brisbane time) on 17 March 2017.
20	Names of any underwriters	Argonaut Capital Limited (Argonaut).
21	Amount of any underwriting fee or commission	Argonaut received an underwriting fee equal to 5% of the funds raised under the Entitlement Offer (less the value of shares committed to be subscribed for and/or sub-underwritten by certain of Metro's existing substantial holders) and a management fee of \$50,000 (excluding GST).

+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	8 March 2017.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A.
28	Date rights trading will begin (if applicable)	N/A.
29	Date rights trading will end (if applicable)	N/A.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A.
33	+Issue date	174,029,596 New Shares on 27 March 2017. 118,312,484 New Shares on 28 March 2017.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

N/A

39 +Class of +securities for which quotation is sought

N/A

+ See chapter 19 for defined terms.

40	Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities? If the additional ⁺securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A
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41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺security, clearly identify that other ⁺security)	N/A
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42	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in clause 38)	Number	⁺ Class
		N/A	N/A

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 27 March 2017
(Company secretary)

Print name: Scott Waddell

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital																			
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated																			
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	366,785,856																		
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	<table> <tr> <td>Shares issued for Gulf takeover on 15/04/16</td><td>53,786,040</td></tr> <tr> <td>Shares issued for Gulf takeover on 25/07/16</td><td>891,132</td></tr> <tr> <td>Shares issued for T1 to Greenstone on 28/07/16 and approved by shareholders on 30/08/16</td><td>53,731,954</td></tr> <tr> <td>Shares issued for T1 to Greenstone on 28/07/16 and ratified by shareholders on 22/11/16</td><td>41,068,046</td></tr> <tr> <td>Issue of T2 shares to Greenstone on 16/09/16 and approved by shareholders on 30/08/16</td><td>10,200,000</td></tr> <tr> <td>Issue of additional shares to Greenstone on 16/09/16 and ratified by shareholders on 22/11/16</td><td>250,000</td></tr> <tr> <td>Issue of shares on exercise of employee options under employee incentive scheme</td><td>10,750,000</td></tr> <tr> <td>Issued under the Entitlement Offer on 27/03/17 – the subject of this Appendix 3B</td><td>174,029,596</td></tr> <tr> <td>Issued under the Entitlement Offer on 28/03/17 – the subject of this Appendix 3B</td><td>118,312,484</td></tr> </table>	Shares issued for Gulf takeover on 15/04/16	53,786,040	Shares issued for Gulf takeover on 25/07/16	891,132	Shares issued for T1 to Greenstone on 28/07/16 and approved by shareholders on 30/08/16	53,731,954	Shares issued for T1 to Greenstone on 28/07/16 and ratified by shareholders on 22/11/16	41,068,046	Issue of T2 shares to Greenstone on 16/09/16 and approved by shareholders on 30/08/16	10,200,000	Issue of additional shares to Greenstone on 16/09/16 and ratified by shareholders on 22/11/16	250,000	Issue of shares on exercise of employee options under employee incentive scheme	10,750,000	Issued under the Entitlement Offer on 27/03/17 – the subject of this Appendix 3B	174,029,596	Issued under the Entitlement Offer on 28/03/17 – the subject of this Appendix 3B	118,312,484
Shares issued for Gulf takeover on 15/04/16	53,786,040																		
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Issue of shares on exercise of employee options under employee incentive scheme	10,750,000																		
Issued under the Entitlement Offer on 27/03/17 – the subject of this Appendix 3B	174,029,596																		
Issued under the Entitlement Offer on 28/03/17 – the subject of this Appendix 3B	118,312,484																		
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period																			
“A”	829,805,108																		

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”													
“B”	0.15 <i>[Note: this value cannot be changed]</i>												
Multiply “A” by 0.15	124,470,766												
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used													
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	<table> <tr> <td>Issue of shares to contractors</td><td>477,749</td></tr> <tr> <td>Issue of shares under Gulf Alumina offer</td><td>26,113,956</td></tr> <tr> <td>Top-up right for issue of shares under Gulf Alumina offer</td><td>11,219,925</td></tr> <tr> <td>Top-up right as per Share Subscription Agreement signed with Greenstone</td><td>9,409,501</td></tr> <tr> <td>Issue of options</td><td>4,000,000</td></tr> <tr> <td>Shares issued under the institutional placement announced 24/02/17</td><td>73,249,635</td></tr> </table>	Issue of shares to contractors	477,749	Issue of shares under Gulf Alumina offer	26,113,956	Top-up right for issue of shares under Gulf Alumina offer	11,219,925	Top-up right as per Share Subscription Agreement signed with Greenstone	9,409,501	Issue of options	4,000,000	Shares issued under the institutional placement announced 24/02/17	73,249,635
Issue of shares to contractors	477,749												
Issue of shares under Gulf Alumina offer	26,113,956												
Top-up right for issue of shares under Gulf Alumina offer	11,219,925												
Top-up right as per Share Subscription Agreement signed with Greenstone	9,409,501												
Issue of options	4,000,000												
Shares issued under the institutional placement announced 24/02/17	73,249,635												
“C”	124,470,766												
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1													
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	124,470,766												
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	124,470,766												
Total [“A” x 0.15] – “C”	0 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>												

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	829,805,108
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	82,980,511
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	Shares issued under the institutional placement announced 24/02/17 53,746,302
“E”	53,746,302

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	82,980,511
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	53,746,302
Total [“A” x 0.10] – “E”	29,234,209 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.