

18 May 2021

Mr. Alex Sutton
Adviser -Geology, Listings Compliance
ASX Compliance Pty Ltd

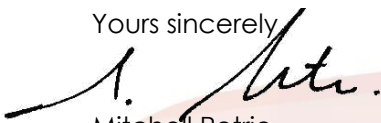
Via email: ListingsComplianceSydney@asx.com.au

Dear Alex

We refer to your letter of 17 May 2021 in relation to Metro Mining Limited (MMI). In particular, we refer to your query regarding the price decrease on 17 May 2021, and the significant increase in volume traded during the period from 14 May 2021 to 17 May 2021, in MMI's securities. We provide the following answers using the numbering in your letter:

1. MMI is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.
2. Not applicable.
3. There have been a number of recent announcements by MMI which may be relevant. On 30 April 2021, MMI lodged its quarterly activities report which identified that negotiations for sales of uncontracted 2021 production were progressing, albeit slowly, but no new offtake agreement had been signed. The same announcement also identified the sharp increase in ocean freight costs, the effect of which is to reduce MMI's operating margins. On 14 May 2021, a substantial holder of MMI, Blackrock Group, lodged a notice of change of interests of substantial holder, showing a decrease in the holder's voting power from 10.41% to 9.41% as a result. Following close of trading yesterday, MMI announced the resignation of Mr. Phil Hennessy as a Director (Non-Executive) and on 7 May 2021, MMI announced the resignation of Duane Woodbury as CFO and Joint Company Secretary. One or more of these factors, or a combination of them, might explain the recent trading in MMI's securities.
4. MMI confirms that, to the best of its knowledge, it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. We confirm that MMI's responses to the ASX questions above have been authorised in accordance with its published continuous disclosure policy. In particular, this announcement has been approved by the Company Secretary in liaison with the Managing Director and each of the other Company Directors.

Yours sincerely



Mitchell Petrie
Company Secretary

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17 May 2021

Mr Mitchell Petrie
Company Secretary
Metro Mining Limited
Level 2, 247 Adelaide St
Brisbane QLD 4000

By email:

Dear Mr Petrie

Metro Mining Limited ('MMI'): Price - Query

ASX refers to the following:

- A. The change in the price of MMI's securities from a high of \$0.049 to a low of \$0.035 today.
- B. The significant increase in the volume of MMI's securities traded from 14 May 2021 to 17 May 2021.

Request for information

In light of this, ASX asks MMI to respond separately to each of the following questions and requests for information:

1. Is MMI aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MMI relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MMI's securities would suggest to ASX that such information may have ceased to be confidential and therefore MMI may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MMI may have for the recent trading in its securities?
4. Please confirm that MMI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MMI's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MMI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **09:30 AM AEST Tuesday, 18 May 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MMI's obligation is to disclose the information

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'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MMI to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MMI's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MMI's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MMI's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MMI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards



Alex Sutton
Compliance Adviser, Geology, Listings Compliance (Sydney)