



Dividend Policy

Policy Number: P18.3

1. Purpose

1.1. The purpose of this Dividend Policy is to outline the guiding principles for the declaration and payment of dividends by Metro Mining Limited (“the **Company**”) to its shareholders. The policy is designed to balance sustainable shareholder returns with the ongoing capital needs of a bauxite mining operation, which is subject to commodity price cycles, long-term rehabilitation obligations, and significant investment in sustaining and growth projects.

2. Scope

2.1. This policy applies to all dividends declared and paid by the Company in accordance with the *Corporations Act 2001* (Cth), the Company’s Constitution, and applicable Australian Securities Exchange (ASX) Listing Rules.

3. Guiding Principles

- 3.1. When determining the level, timing, and form of dividends, the Board will consider:
- **Profitability & Underlying Earnings** – Net profit after tax, adjusted for non-cash items and one-off events, reflecting the cyclical nature of the bauxite market.
 - **Operating Cash Flow** – Availability of free cash flow after sustaining capital expenditure, mine development, and rehabilitation provisioning.
 - **Capital Expenditure** – Funding requirements for mine life extension projects, processing upgrades, transport infrastructure, and environmental compliance.
 - **Commodity Price Environment** – The prevailing and forecasted price of bauxite and alumina, as well as foreign exchange impacts on export revenue.
 - **Balance Sheet Strength** – Maintaining a conservative gearing profile and adequate liquidity to withstand periods of low commodity prices.

- **Mine Rehabilitation Obligations** – Ensuring adequate reserves for progressive and final mine site rehabilitation in line with environmental approvals and community commitments.
- **Strategic Growth** – Retaining sufficient capital for exploration, expansion, or diversification opportunities that may enhance long-term shareholder value.

4. Dividend Payout Range

4.1. Subject to the above factors, the Company will target a dividend payout ratio in the range of 20% and 40% of free cashflow net of debt servicing, averaged over the commodity cycle to provide sustainable returns. Actual payout levels may be above or below this range depending on market conditions and capital requirements.

5. Form of Dividend

5.1. Dividends may be paid in cash or offered under a Dividend Reinvestment Plan (DRP), at the discretion of the Board.

6. Frequency of Dividend Payments

6.1. The Company will ordinarily consider dividends on a annual basis, aligned with the release of its full-year financial results.

7. Board Discretion

7.1. The declaration and payment of dividends remain at the absolute discretion of the Board. Even where profits are recorded, the Board may decide not to declare a dividend if it considers such action is in the best interests of the Company, particularly during low-price periods, high capital expenditure phases, or where strategic investments are prioritised.

8. Policy Review

8.1. The Board will review this policy biennially (by August 2027), or more frequently if required, to ensure it remains appropriate given changes in the Company’s operational profile, market environment, or strategic direction.