

5 December 2025

Metro Mining Limited (MMI)

BUY

Share Price: A\$0.07

A solid rise in November shipments

Target Price: A\$0.10

MMI reported a solid month of operations in November with 783kt of bauxite shipped which is 6.5% higher than October (735kt). Shipments occurred over twenty-eight working days with two days lost to weather and one day lost due to maintenance. Year to date shipments equate to 5.64Mt with 562kt (Petra 582kt) required in December to meet the low end of CY25 guidance at 6.2-6.6Mt (Petra 6.22Mt sales). December can be affected by weather more than Oct. & Nov. as we approach the wet season (January-March). We estimate cash of ~A\$48M end of Dec. and debt of ~A\$60M with A\$25M to be spent during the wet season including A\$5M for maintenance on the Offshore Floating Terminal. Retain BUY with PT of A\$10.0c/share (unchanged).

November shipments

- November bauxite shipped at 783kt which is +6.5% vs October of 735kt.
- A capesize vessel loading record was achieved during the month with 178kt loaded in 5.6 days.
- MMI remains on track to meet guidance subject to weather conditions in the month of December.
- We remain at the low end of guidance and forecast cash to rise by ~A\$17M (after debt repayments) from A\$31M at end of Sept. to A\$48M by end of Dec.

Legacy contracts coming to an end

- The final 700kt of the low priced legacy contracts is expected to be delivered into this quarter.
- We model A\$49/t FOB netback price for Dec. Q'25 based on the 700kt legacy contracts & 1.4Mt of variable contracts using bauxite prices of ~US\$62/t CIF DMT.
- With completion of the legacy contracts, we expect margins to improve by ~A\$10/t in the Jun. Q'26 assuming flat bauxite prices.
- No guidance has been provided for CY26, we forecast CY26 bauxite sales of 6.75Mt.

Financial Summary

- Valuation – 10.0c/share based on 1xP/NPV₆.
- PE (CY25/26): 18.9x & 4.2x,
- EV/EBITDA (CY25/26): 7.8x & 2.4x.
- CY26 Dividend yield 6.0% (unfranked).
- Cash A\$48M end Dec., debt A\$60M end Dec.

Key Dates Ahead

- 1H CY26 – Ongoing debottlenecking studies.
- March '26 – Pricing negotiations for Jun. Q'26.

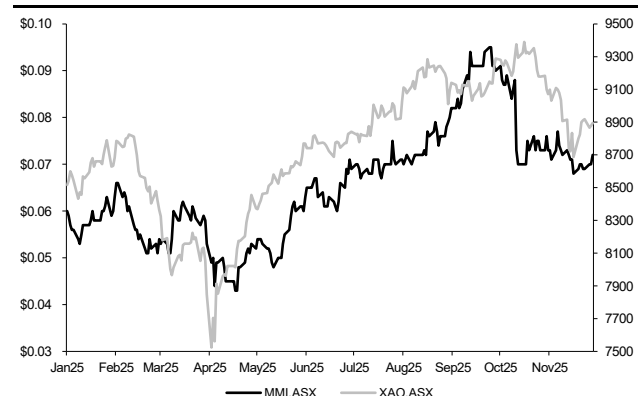
Company Data

Shares – ordinary (M)	6110.8
Dilution (M)	223.3
Total (fully diluted) (M)	6334.1
Market capitalisation (\$M)	433.9
12 month low/high (\$)	0.04 / 0.09
Average monthly turnover (\$M)	40
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year End Dec	CY24A	CY25F	CY26F	CY27F	CY28F
Revenue (\$M)	309.1	384.7	470.1	481.5	481.5
Costs (\$M)	264.9	325.4	327.4	334.3	334.3
EBITDA (\$M)	40.8	59.3	142.8	147.2	147.2
NPAT (A\$M)	0.1	23.8	108.2	106.0	88.6
EPS (cps)	0.0	0.4	1.7	1.7	1.4
EPS Growth (%)	na	>100	>100	-2.1	-16.3
PER (x)	na	18.9	4.2	4.2	5.1
Cashflow (A\$M)	20.2	52.3	141.7	153.5	142.6
CFPS (c/sh)	0.3	0.8	2.2	2.4	2.3
PCFPS	18.0	8.6	3.2	2.9	3.2
EV	408.3	461.6	345.3	240.8	149.4
EV/EBITDA	10.0	7.8	2.4	1.6	1.0
Payout ratio (%)	na	na	25%	50%	50%
DPS	0.0	0.0	0.4	0.6	0.7
Yield (%)	0.0	0.0	6.0	8.9	9.4
Franking (%)	0%	0%	0%	30%	90%

MMI – performance over one year



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This report must be read with the disclosure and disclaimer on the final page of this document.

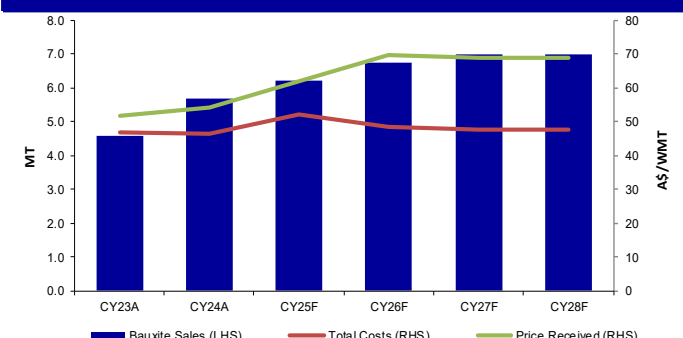
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Analysis

METRO MINING LIMITED (MMI)

4-Dec-25 Year End Dec	A\$	CY24A	CY25F	CY26F	CY27F	CY28F							
PROFIT & LOSS							RESERVES & RESOURCES						
Sales Revenue	\$M	307.3	384.7	470.1	481.5	481.5	Reserves						
Other Income	\$M	1.8	0.0	0.0	0.0	0.0	Tonnes	Mt	77.7	71.5	64.7	57.7	50.7
Operating Costs	\$M	264.9	325.4	327.4	334.3	334.3	Grade Al2O3	%	49.8	49.8	49.8	49.8	49.8
Exploration	\$M	0.0	0.0	0.0	0.0	0.0	Grade SiO2	%	13.3	13.3	13.3	13.3	13.3
Other	\$M	3.5	0.0	0.0	0.0	0.0	M & I Resources						
EBITDA	\$M	40.8	59.3	142.8	147.2	147.2	Tonnes	Mt	114.4	108.2	101.4	94.4	87.4
Dep. & Amort.	\$M	18.0	28.4	33.5	31.9	31.7	Grade Al2O3	%	48.8	48.8	48.8	48.8	48.8
EBIT	\$M	22.8	30.9	109.3	115.4	115.6	Grade SiO2	%	14.2	14.2	14.2	14.2	14.2
Net Interest	\$M	22.7	7.0	1.1	(6.3)	(11.1)	PRODUCTION (100%)						
Pre-Tax Profit	\$M	0.1	23.8	108.2	121.6	126.6	Bauxite Mined	Mt	5.66	6.24	6.75	7.00	7.00
Tax	\$M	0.0	0.0	0.0	15.7	38.0	Bauxite Sales (Shipped)	Mt	5.68	6.22	6.75	7.00	7.00
Minorities	\$M	0.0	0.0	0.0	0.0	0.0	REVENUE (attributable)						
Net Profit	\$M	0.1	23.8	108.2	106.0	88.6	Bauxite Hills	\$M	307.3	384.7	470.1	481.5	481.5
Abnormal	\$M	(22.1)	118.2	0.0	0.0	0.0	Other	\$M	0.0	0.0	0.0	0.0	0.0
Reported Profit	\$M	0.1	23.8	108.2	106.0	88.6	Total	\$M	307.3	384.7	470.1	481.5	481.5
Dividends Paid	\$M	0.0	0.0	13.5	40.0	42.2	COSTS						
Adjustments	\$M	0.0	0.0	0.0	0.0	0.0	Site Costs	A\$/WMT	27	27	24	24	24
Retained Earnings	\$M	(254.5)	(112.4)	(17.7)	48.2	94.7	Royalties	A\$/WMT	6	8	9	8	8
CASH FLOW							Total Costs	A\$/WMT	47	51	47	46	46
Revenue	\$M	315.2	384.7	470.1	481.5	481.5	Total costs	\$M	264.9	315.4	316.4	323.3	323.3
Costs	\$M	(282.0)	(325.4)	(327.4)	(334.3)	(334.3)	Corp / Other	\$M	0.0	10.0	11.0	11.0	11.0
Net Interest	\$M	(13.0)	(7.0)	(1.1)	6.3	11.1	Total	\$M	264.9	325.4	327.4	334.3	334.3
Tax Paid	\$M	0.0	0.0	0.0	0.0	(15.7)	CAPEX						
Gross Cash Flow	\$M	20.2	52.3	141.7	153.5	142.6	Bauxite Hills	\$M	29.1	16.0	11.9	9.0	9.0
Net Capex	\$M	(29.1)	(16.0)	(11.9)	(9.0)	(9.0)	Other	\$M	0.0	0.0	0.0	0.0	0.0
Exploration	\$M	(0.2)	0.0	0.0	0.0	0.0	Total	\$M	29.1	16.0	11.9	9.0	9.0
Dividends	\$M	0.0	0.0	(13.5)	(40.0)	(42.2)	DEPRECIATION						
Other	\$M	(8.7)	(4.2)	0.0	0.0	0.0	Bauxite Hills	\$M	18.0	28.4	33.5	31.9	31.7
Free Cashflow	\$M	(17.7)	32.1	116.3	104.5	91.4	Other	\$M	0.0	0.0	0.0	0.0	0.0
Equity Issues	\$M	51.0	0.0	0.0	0.0	0.0	Total	\$M	18.0	28.4	33.5	31.9	31.7
Net Borrowings	\$M	(11.9)	(15.7)	(47.4)	(11.8)	0.0	EBITDA						
Net Investments	\$M	0.0	0.0	0.0	0.0	0.0	Bauxite Hills	\$M	42.4	59.3	142.8	147.2	147.2
Surplus Cash Flow	\$M	21.3	16.4	68.9	92.6	91.4	Other (incl. writedowns)	\$M	-1.6	0.0	0.0	0.0	0.0
BALANCE SHEET							Total	\$M	40.8	59.3	142.8	147.2	147.2
Cash	\$M	31.2	47.6	116.5	209.1	300.6	ASSUMPTIONS						
Other Current	\$M	25.2	57.7	70.5	72.2	72.2	Exchange Rate	A\$/US\$	0.66	0.65	0.66	0.66	0.66
Total Current	\$M	56.4	105.3	187.0	281.4	372.8	Benchmark Price CIF	US\$/DMT	55	70	62	62	62
Fixed Assets	\$M	166.8	154.4	132.8	110.0	87.3	Bauxite Price CIF	US\$/DMT	48	63	55	55	55
Exploration	\$M	1.7	1.7	1.7	1.7	1.7	Bauxite Price CIF	US\$/WMT	42	55	48	48	48
Intangibles	\$M	0.0	0.0	0.0	0.0	0.0	Bauxite Price CIF	A\$/WMT	64	85	73	73	73
Other	\$M	18.3	22.4	22.4	22.4	22.4	Bauxite Price FOB	A\$/WMT	45	71	60	58	58
Total NC Assets	\$M	186.8	178.5	156.9	134.1	111.4	Av Price Received	A\$/WMT	54	62	70	69	69
TOTAL ASSETS	\$M	243.2	283.8	344.0	415.5	484.2	EBITDA Margin	A\$/WMT	7	10	21	21	21
Total Debt	\$M	75.2	59.5	12.1	0.3	0.3	VALUATION (fully diluted)						
Current Liab	\$M	77.5	34.3	34.3	50.0	72.3	Bauxite Hills Mine (NPV8)	\$M	696.0	\$	0.110		
Non Current Liab	\$M	50.0	7.4	20.3	22.0	22.0	Exploration	\$	20.0	\$	0.003		
TOTAL LIAB	\$M	202.6	101.2	66.6	72.2	94.5	Corporate / Other	\$	(73.8)	\$	(0.012)		
NET ASSETS	\$M	40.6	182.6	277.3	343.3	389.7	Net Cash (Debt) CY25	\$	(11.9)	\$	(0.002)		
SH/HLDRS FUNDS	\$M	40.6	182.6	277.3	343.3	389.7	Total	\$	630.3	\$	0.100		
RATIO ANALYSIS													
EPS	¢	0.0	0.4	1.7	1.7	1.4							
PER	x	5,520	18.9	4.2	4.2	5.1							
EPS Growth	%	>100	>100	354.0	(2.1)	(16.3)							
EBITDA per share	¢	0.7	0.9	2.3	2.3	2.3							
EBITDA Multiple	x	8.9	7.6	3.1	3.1	3.1							
EV/EBITDA	x	10.0	7.8	2.4	1.6	1.0							
CFPS	¢	0.3	0.8	2.2	2.4	2.3							
PCFR	x	18.0	8.6	3.2	2.9	3.2							
DPS	¢	0.0	0.0	0.4	0.6	0.7							
Yield	%	0.0	0.0	6.0	8.9	9.4							
Franking	%	0.0	0.0	0.0	0.3	0.9							
Payout Ratio	%	0.0	0.0	25.0%	50.0%	50.0%							
Gearing ND/E	%	108	6	na	na	na							
Interest Cover	x	1.0	0.0	101.0	na	na							
EBITDA Margin	%	13.3	15.4	30.4	30.6	30.6							
EBIT Margin	%	7.4	8.0	23.2	24.0	24.0							
Return On Assets	%	9.4	10.9	31.8	27.8	23.9							
Return On Equity	%	0.2	13.1	39.0	30.9	22.7							
Eff Tax rate	%	0.0	0.0	0.0	12.9	30.0							

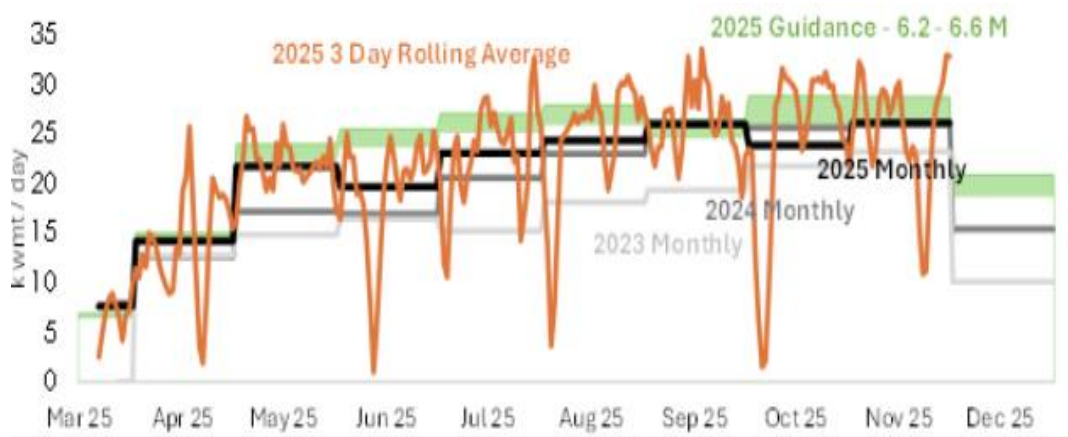


Source: Petra Capital

Shipping Rates

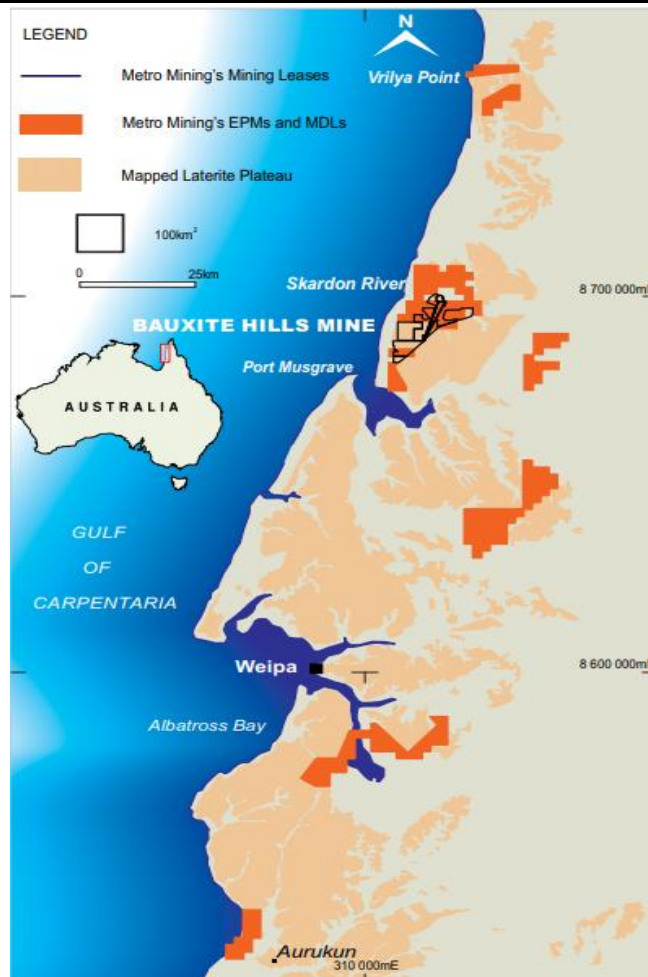
CY25 guidance is unchanged at 6.2-6.6Mt of bauxite shipped (Figure 1). MMI plan to shut down operations during the wet season from mid-Jan to mid-March.

Figure 1: MMI Bauxite shipments Plan for CY25F vs CY23-24 Actuals



Source: MMI. *Left hand axis is tonnes shipped per day. Green area is the targeted shipping rate.

Figure 2: Bauxite Hills location map



Source: MMI.



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