Metro Mining Limited

Pure-play bauxite leveraging its location

14 July 2026

We initiate coverage of Metro Mining recommending Buy with a target price of A$2.50/sh. The company is a pure-play bauxite exporter which has among the world's lowest costs for China deliveries. As it debottlenecks logistics, we expect +21% FCF yields at our LT bauxite price, and ~35% in CY27-28 if bauxite prices rise on Guinea restrictions as we expect. With zero net debt, we expect fully-franked dividends yielding ~20% to commence in CY29, with buybacks ahead of this.

Pure-play bauxite exporter with logistic benefits over Guinea

- MMI is a niche Australian bauxite exporter with its mine located near the coast in Cape York Peninsula. Its short logistics chain from mine to vessel, and proximity to China provides highly competitive margins against larger Guinea mines, despite a price discount of ~25%. MMI expanded to a profitable size (+6Mtpa) in 2024 and eliminated net debt in 2025. It is now heading to +7Mtpa shipments which should see CFR China costs approach the world's lowest. The current mine life is 9-10 years on reserves, with potential for extension by utilising additional resources via low-cost beneficiation, and bauxite at Pisolite Hills.

Profit lift as mine completes expansion debottlenecking

- MMI is currently debottlenecking its mine to vessel supply chain to reach +7Mtpa shipments, further diluting fixed costs. An extended wet season this year delayed shipments, so the main financial impact is expected from DecH-26, when MMI will also have concluded contracted fixed price shipments, and lagging subdued spot prices from MarQ-26 will have washed through. Bauxite prices may also increase during the period as we expect the Guinea government to curb overproduction which has reduced its tax & royalty returns. MMI intends to pay shareholders so we expect fully franked dividends yielding +14% from 2029 when a tax loss shield should be exhausted.

MMI shipments and Guinea export reduction are key catalysts

- Higher shipping volumes reduce unit costs so the JunQ report will be a key indicator of performance. Guinea was expected to reduce exports in June to lift prices; Concrete action is still awaited and should be a strong bauxite price catalyst if it eventuates.

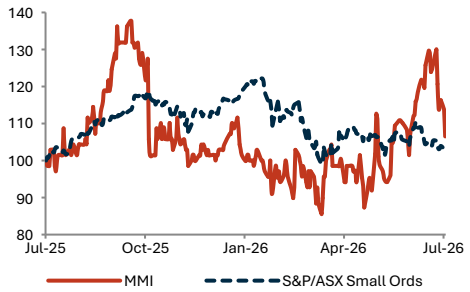
INITIATION

Last Price
A$1.47
Target Price
A$2.50
Recommendation
Buy
Risk
Higher

Aluminum

ASX Code	MMI
52 Week Range ($)	1.18 - 1.90
Market Cap ($m)	452.2
Shares Outstanding (m)	307.6
Av Daily Turnover ($m)	0.0
3 Month Total Return (%)	13.1
12 Month Total Return (%)	6.5
Benchmark 12 Mth Return (%)	2.8
Net Cash FY26E ($m)	51.8

Price performance



Source: FactSet

Consensus Earnings

	FY26E	FY27E
- (C) (c)	-	-
- (OM) (c)	-	-
- (C) (c)	-	-
- (OM) (c)	-	-

Source: OML, Iress, Metro Mining Limited

Key Financials

Year-end December ($)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue ($m)	307.3	378.4	417.6	617.5	551.2
EBITDA ($m)	54.3	95.2	78.2	263.8	210.0
EBIT ($m)	27.0	100.3	33.1	218.5	164.7
Reported NPAT ($m)	(22.0)	142.3	19.7	152.2	117.9
Normalised NPAT ($m)	(22.0)	60.0	19.7	152.2	117.9
Franking (%)	-	-	-	-	-
Normalised ROE (%)	-	52.8	10.0	53.8	28.2

Source: OML, Iress, Metro Mining Limited

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Figure 1: MMI financial summary

All AUD unless noted

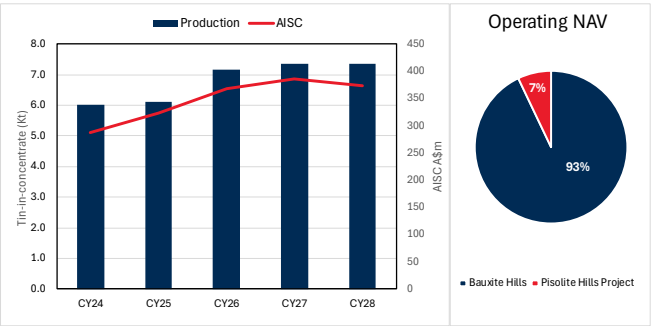
Key Details		
Target Price	Ac/sh	2.50
Recommendation		Buy
Risk Assessment		Higher
Share Price	A$/sh	$1.47
2025E Dividend	A$/sh	$0.00
NAV	A$/sh	$2.30
Implied Total Return	%	70%
P/NAV	x	0.64x
No Shares	m	308
Market Cap	A$m	$452
Enterprise Value	A$m	$472

Prices & Exchange Rates		CY25	CY26	CY27	CY28	CY29
Bauxite price Aust Monohy CIF (USD$/dmt)	US$/t	82	70	93	83	77
Received bauxite price (A$/wmt CIF)	US$/t	75	70	89	84	76
Exchange rate	AUD:USD	0.64	0.70	0.70	0.70	0.71

Production		CY25	CY26	CY27	CY28	CY29
Buaxite Mined	mt	6.10	7.15	7.35	7.35	7.35
Bauxite Shipped	mt	6.17	6.85	7.35	7.35	7.35

AISC		CY25	CY26	CY27	CY28	CY29
Opex	AUD$m	$283.1	$339.4	$353.7	$341.2	$332.7
Sustaining Capex	AUD$m	$10.8	$12.0	$15.0	$15.0	$15.0
Other expenses	AUD$m	$29.1	$17.2	$17.3	$17.3	$17.2
Total costs	**AUD$m**	**$323.0**	**$368.5**	**$386.0**	**$373.5**	**$364.9**

Capex Breakdown		CY25	CY26	CY27	CY28	CY29
Sustaining Capex	AUD$m	$10.8	$12.0	$15.0	$15.0	$15.0
Capex	AUD$m	$0.0	$0.0	$0.0	$0.0	$0.0
Total	**AUD$m**	**$10.8**	**$12.0**	**$15.0**	**$15.0**	**$15.0**



Net Asset Value	USD Risked	USD Riske	A$/Sh	NAV (%)
Operating Value				
Bauxite Hills Project	$558	$796	$2.59	92.9%
Pisolite Hills Project	$43	$61	$0.20	7.1%
Sum of Operations	**$601**	**$857**	**$2.79**	**100.0%**
Net Cash / (Debt)	($14)	($20)	($0.06)	
NPV Corporate Costs	($85)	($129)	($0.42)	
Rehabilitation / drydock provisions	$19	$29	$0.09	
Total net valuation	**$468**	**$709**	**$2.30**	
P/NAV			**0.64x**	

Year end Dec

Ratio Metrics		CY25	CY26	CY27	CY28	CY29
Earnings - Adjusted	cps	$2.2	$6.4	$49.5	$38.3	$27.5
P/E Multiple	x	62.8	22.9	3.0	3.8	5.4
CFPS (CFO)	$/sh	$0.21	$0.21	$0.64	$0.48	$0.37
FCFPS (CFO-capex-expl.)	$/sh	$0.19	$0.17	$0.59	$0.43	$0.32
P/CF Multiple	x	6.9x	6.9x	2.3x	3.1x	4.0x
FCF Yield	%	13%	12%	40%	29%	22%
Dividends Per Share	cps	0.0	0.0	0.0	0.0	25.3
Dividend Yield	%	0.0%	0.0%	0.0%	0.0%	17.2%
Gearing (ND: ND+E)	%	NA	NA	NA	NA	NA
Return on Equity (ROE)	%	76%	10%	42%	25%	17%
P / NAV (P/B) x	%	2.4	2.2	1.3	0.9	0.9
EV/EBITDA	x	4.1	3.8	7.7	1.9	2.4

P&L Statement		CY25	CY26	CY27	CY28	CY29
Revenue	AUD$m	$378.4	$417.6	$617.5	$551.2	$493.6
Operating Costs	AUD$m	($283.1)	($339.4)	($353.7)	($341.2)	($332.7)
EBITDA	**AUD$m**	**$124.3**	**$61.1**	**$246.5**	**$192.7**	**$143.7**
Other income / (expenses)	AUD$m	$29.1	($17.2)	($17.3)	($17.3)	($17.2)
D&A	AUD$m	($24.5)	($28.0)	($28.0)	($28.0)	($28.0)
EBIT	**AUD$m**	**$99.9**	**$33.1**	**$218.5**	**$164.7**	**$115.7**
Net finance costs	AUD$m	$14.9	($4.9)	($1.0)	$3.6	$5.0
EBT	**AUD$m**	**$114.8**	**$28.2**	**$217.4**	**$168.4**	**$120.7**
Tax benefit / (deduction)	AUD$m	$27.5	($8.4)	($65.2)	($50.5)	($36.2)
Net Income - Adjusted	**AUD$m**	**$142.3**	**$19.7**	**$152.2**	**$117.9**	**$84.5**
Adjustments	AUD$m					
Net Income - Reported	**AUD$m**	**$142.3**	**$19.7**	**$152.2**	**$117.9**	**$84.5**
Weighted average diluted shares	mm	307	308	308	308	308

Cash Flow Statement		CY25	CY26	CY27	CY28	CY29
Cash Flows from Operating Activities						
Net Income	AUD$m	$142.3	$19.7	$152.2	$117.9	$84.5
D&A	AUD$m	$24.5	$28.0	$28.0	$28.0	$28.0
Taxes	AUD$m	$27.5	($8.4)	($65.2)	($50.5)	($36.2)
Non Recurring/Other	AUD$m	($129.2)	$157.4	$31.2	$17.4	$34.8
Net Operating Cash flow	**AUD$m**	**$65.8**	**$65.2**	**$196.7**	**$146.2**	**$112.8**
Cash Flows From Investing Activities						
Capital Expenditure	AUD$m	($10.8)	($12.0)	($15.0)	($15.0)	($15.0)
Other (Acqusitions / Exploration)	AUD$m	($12.3)	$0.0	$0.0	$0.0	$0.0
Net Investing Cash Flow	**AUD$m**	**($23.1)**	**($12.0)**	**($15.0)**	**($15.0)**	**($15.0)**
Cash Flows From Financing Activities						
Dividends	AUD$m	$0.0	$0.0	$0.0	$0.0	($77.9)
Borrowings and other costs	AUD$m	$8.0	$0.0	$0.0	$0.0	$0.0
Other	AUD$m	($32.5)	($29.4)	($29.4)	$0.0	$0.0
Net Financing Cash Flow	**AUD$m**	**($24.4)**	**($29.4)**	**($29.4)**	**$0.0**	**($77.9)**
Increase (Decrease) in Cash	AUD$m	$18.3	$23.7	$152.2	$131.2	$19.9
Cash at End of Year	**AUD$m**	**$86.2**	**$100.2**	**$327.4**	**$616.0**	**$691.5**
Operating Free Cash Flow	AUD$m	$55.0	$53.2	$181.7	$131.2	$97.8
Free Cash Flow	AUD$m	$55.0	$53.2	$181.7	$131.2	$97.8

Balance Sheet		CY25	CY26	CY27	CY28	CY29
Cash & Equivalents	AUD$m	$62.8	$86.5	$238.7	$370.0	$389.9
Inventory	AUD$m	$7.7	$6.4	$6.3	$6.1	$5.9
Property, Plant & Equipment	AUD$m	$149.6	$133.6	$120.6	$107.6	$94.6
Other Long Term Assets	AUD$m	$141.3	$135.0	$118.2	$116.5	$115.6
Total Assets	**AUD$m**	**$361.4**	**$361.5**	**$483.9**	**$600.2**	**$606.0**
Trade Payables	AUD$m	$30.8	$33.0	$37.1	$36.4	$35.4
Long Term Debt	AUD$m	$58.9	$29.4	$0.0	$0.0	$0.0
Other Long Term Liabilities	AUD$m	$84.8	$92.5	$88.0	$87.1	$87.3
Total Liabilities	**AUD$m**	**$174.5**	**$154.9**	**$125.1**	**$123.5**	**$122.7**
Shareholder Equity	AUD$m	$186.9	$206.6	$358.8	$476.7	$483.3
Total Liabilities & Shareholder Equity	**AUD$m**	**$361.4**	**$361.5**	**$483.9**	**$600.2**	**$606.0**

Sources: MMI, Ord Minnett estimates

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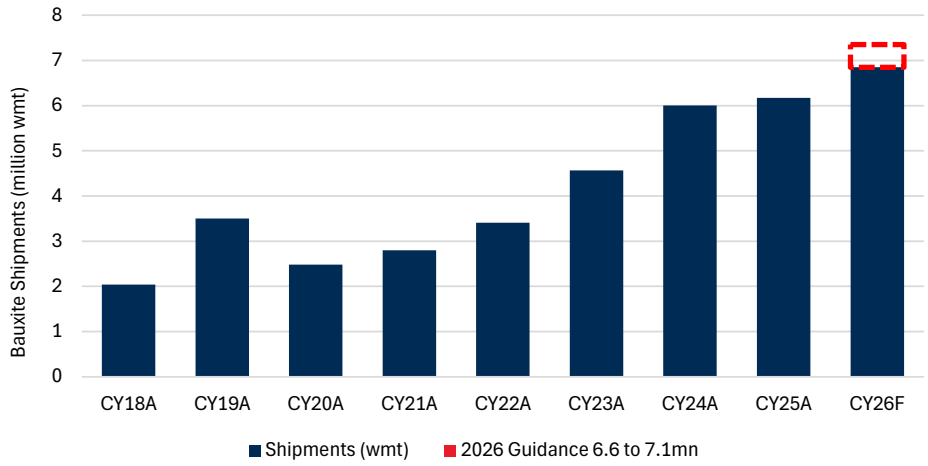
Metro Mining – Summary

Introduction to Metro Mining (ASX: MMI)

Metro Mining is Australia's only ASX-listed pure-play bauxite producer, offering direct exposure to seaborne bauxite at a time when the price is likely to rise if dominant exporter, Guinea, moves to restore FOB profitability by restraining exports. MMI's operations at Bauxite Hills in Cape York Peninsula, QLD, retains a cash margin due to low site costs and a freight advantage owing to its proximity to China. The operation mines the same Weipa bauxite plateau as Rio Tinto's giant operation 95kms to the south and has its own river port and loading equipment on site.

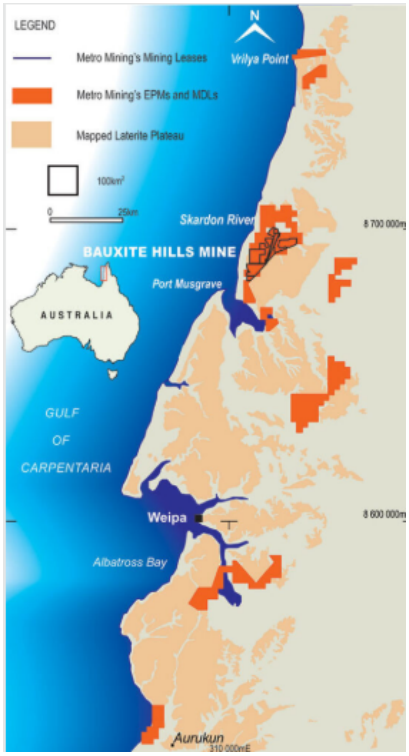
Following capital investment in 2023-24, Metro grew to a profitable scale of >6Mtpa. In the past year it has eliminated net debt, concluded legacy lo- priced contracts, and it is now focused on debottlenecking the mine-to-vessel ore flow with the aim of lifting shipments above 7Mtpa, which we expect from 2027. At this level of production, FOB site costs per tonne shipped should fall to A$28/wmt making it potentially the world's lowest cost producer on a China-delivered basis.

Figure 3: Bauxite Hills shipments volume history



Sources: MMI, Ord Minnett

Figure 2: MMI location



Source: Metro Mining

While Bauxite Hills DSO product fetches a price roughly 25% below China's mainstay Guinea imports, its location – 11 days sail from China – together with bulk capesize shipments, restores all of that margin due to lower freight costs. Bauxite Hills can thus compete head-to-head with Guinea mines on unit margins. It uses similar offshore loading but has shorter transport distances. Figure 7 illustrates estimated comparative costs and margins between MMI and Guinean mines.

Guinea is the world's chief bauxite exporter

Guinea's bauxite exports have rocketed in the past ten years from 20Mt in 2015 to 183Mt in 2025. A 25% YoY increase in 2025 was rampant overproduction, causing Guinea bauxite prices to sag from US$80/dmt in 2025 to $US60/dmt CIF China in Feb 2026. Added to that are elevated freight costs which drove the FOB bauxite price from US$40-50/dmt in previous years to US$24/t in June. The FOB price is that for which the Guinea Government charges royalties, and which creates revenue for taxable company profits. Smaller producers are probably operating at cash losses at current prices and costs. The Guinea government said it intends to restore profitability by curbing excessive production. These measures are still awaited, but anticipation of

export curbs has caused bauxite prices to climb to US$70/dmt by early-July. We expect further increases if measures are announced (price forecasts and USD/USD are shown in Figure 12).

Thus, we believe Metro is entering a phase of high operational leverage, with site costs falling at the same time as prices rise, translating to stronger EBITDA and free cash flow. In our view, the market undervalues Metro's value proposition given its position towards the bottom of the global delivered bauxite cost curve.

Bauxite feeds the aluminium industry

Bauxite is the world's primary ore used to create aluminium. Bauxite is refined into alumina (Al_2O_3) by digestion, purification and reprecipitation; and then smelted into aluminium metal (Figure 4). Aluminium underpins modern life with its use ranging from construction, transportation, and packaging, to renewable energy and aerospace. Primary aluminium production in 2025 was 74Mt according to the International Aluminium Institute. This required ~400Mt of bauxite as the primary feedstock, making it a critical factor in global economic and industrial development.

Bauxite: infrastructure and location is the key barrier to entry

Bauxite is relatively widespread in areas of the world where a lateritic weathering crust is preserved. Historically, the abundance of bauxite ensured a low price, such that the most economic deposits required a refinery nearby to minimise transport costs. However, the industrial expansion of China lifted its share of global aluminium production to 60%, with alumina refining capacity to match, but its domestic bauxite deposits are modest and low-quality. China's demand for imported bauxite (>200Mtpa) lifted the price and created an export bauxite trade. A key cost element in the trade is ocean freight, which may be one-third to one-half of the delivered price.

Figure 4: bauxite is feedstock for aluminium metal via alumina

Source: MMI

New entrants to the bauxite trade must have both the bauxite resources and efficient mine-to-ship logistics. Remote deposits without infrastructure are typically stranded. Guinea's export bauxite industry is based around three dedicated bauxite railways to river ports, with barges taking bauxite offshore into deeper water for transshipping to large capesize vessels. Chinese aluminium producers have funded the infrastructure installed since 2015. While the bauxite availability of Guinea is vast and the material is high-quality, Guinea is 11,300 nautical miles from China taking 40-45 days sailing time, so freight costs are a major impost.

The Weipa bauxite deposit in Queensland was developed by Comalco (now part of Rio Tinto) in 1961 to feed a domestic refinery at Bell Bay, Tasmania, and subsequently new refineries at Gladstone. Output has now grown to 37Mtpa making it among the world's largest producers. MMI's Bauxite Hills, mining northern extensions of the same bauxite, is more recent following the rise of the China bauxite trade, with the first shipments in 2018. It has a coastal location, just 9km from a river port, and like

Guinea, it uses barges to transship ore to capesize vessels offshore. The location in North Queensland is about 3300 nautical miles from China, 3.5x less than Guinea.

MMI's competitive positioning

The global bauxite trade is dominated by large-scale producers in Guinea, Australia, and Brazil. Supply is largely controlled by Chinese companies and diversified major miners such as Rio Tinto, Alcoa, and Norsk Hydro. Smaller pure-play listed producers such as Metro Mining occupy a niche position in the seaborne bauxite market.

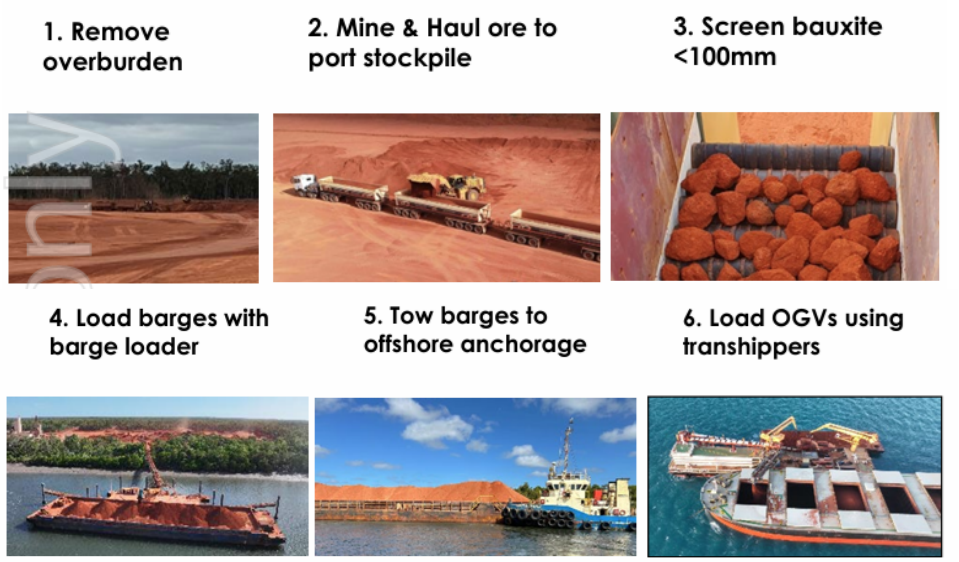
MMI short logistical chain

MMI has margins that are highly competitive with larger Guinea mines, despite a 25% price discount for value-in-use. The margins are sustained by low costs due to a simple mining operation, a short logistical chain from mine to vessel, and relative proximity to China which delivers a major freight advantage relative to West African producers.

At the asset level, the Bauxite Hills Mine is a low-complexity, direct shipping ore (DSO) operation, requiring limited processing and beneficiation. This contrasts with some global operations that beneficiate by washing and screening prior to export, including Weipa. We estimate that Bauxite Hills' product price may be clipped by roughly A$4/t compared to Weipa's washed bauxite.

The mines are just 9km from the river port and ore is delivered in 240 tonne road trains, rather than 130km by rail used by the top Guinean mines. The river port where barges are loaded is about 7km from the ocean and the transhipment anchorage is 10 nautical miles (nm) or 18km offshore, in depths suitable for capesize vessels. The round trip from the river port is therefore about 50km for each barge. Guinea's bauxite mines also use ocean transhipment from barges but the anchorage is typically 20 nm offshore (37km). The top Guinean producer, SMB, has anchorages just 11-13 nm offshore, but its two river ports in Rio Nunez are 50 and 70km upstream from the coast, making the entire round trip 150-190km for each barge.

Figure 5: MMI's schematic of pit to ship logistics chain



Source: Metro Mining Limited

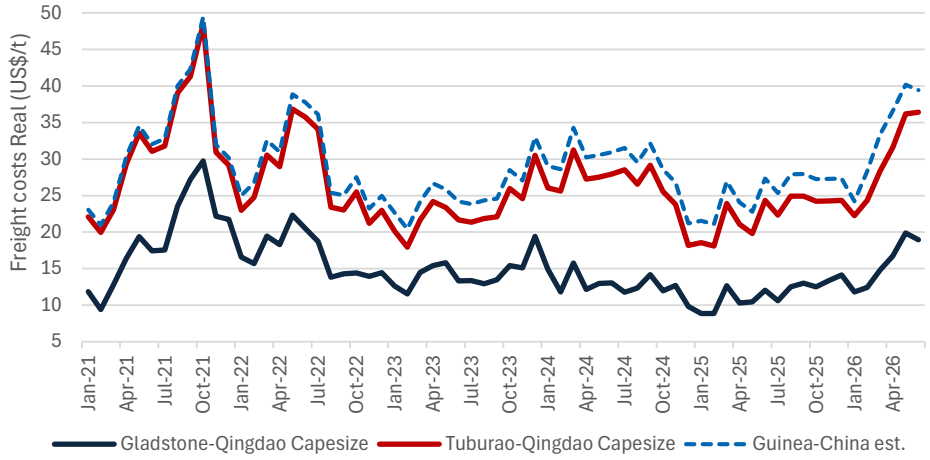
The simplicity of the Bauxite Hills operation supports a low-cost base, with our estimate of annualised C1 FOB costs trending toward ~A$28/wmt of product

shipped. Adding low freight rates positions the company toward the lower end of the global cost curve for seaborne bauxite.

Freight the key differentiator

MMI's key competitive advantage lies in its geographic proximity to Asian markets. Freight rates to China from Cape York Peninsula in 2025 were ~US$11 per dry ton equivalent compared to ~US$26–27 from Guinea, providing Metro with a meaningful delivered-cost advantage into its core market. With freight prices from Guinea to China rising to ~US36-38/wmt in May-June (Shanghai Metals Market), and the bauxite price sliding to mid-US$60s, the highest-cost Guinean producers are facing negative margins. MMI's cost advantage is particularly strong when freight prices rise.

Figure 6: Capesize freight rates (Real): QLD, Brazil & Guinea to China



Sources: Bloomberg, Ord Minnett estimates

Realised price is lower for monohydrate and higher reactive silica

MMI's realised pricing historically has broadly followed market benchmarks, with a discount. Its realised price of ~A$75/wmt CIF during CY25, included low-priced legacy contracts. With these fixed-price contracts having ended in JunQ-2026, realised pricing is expected to normalise towards prevailing market rates albeit with a one quarter lag, supporting improved margins and cash flow generation.

We estimate that Bauxite Hills product incurs a discount of roughly 25% relative to the Guinea index price (45% alumina). The alumina grade of the bauxite is higher than Guinea (~50%), but other factors are less favourable. Weipa plateau bauxite is dominated by boehemite (a monohydrate mineral) which requires digestion at a higher temperature during refining than the gibbsite (trihydrate) which dominates Guinean supply (220-250°C versus 150°C). Weipa's reactive silica content is also higher than typical Guinean bauxite, which is deleterious for caustic soda consumption. Relative to the Australian monohydrate index, which largely comprises washed bauxite from Weipa, we estimate the unwashed product from Bauxite Hills incurs a A$4/t discount.

Figure 7: Estimated margins of MMI & Guinea mines current & normal

		Normalised					Current : end-June 2026				
		MMI.ASX	SMB	CBG	NMC	Guinea Truck	MMI.ASX	SMB	CBG	NMC	Guinea Truck
Bauxite price	**US$/dmt**	**61**	**77**	**77**	**77**	**77**	**55**	**70**	**70**	**70**	**70**
Bauxite price 12% moist.	US$/wmt	54	69	69	69	69	49	63	63	63	63
Freight	US$/t	12	25	29	29	29	12	36	39	39	39
Bauxite price	**US$/t FOB**	**42**	**44**	**40**	**40**	**40**	**37**	**27**	**24**	**24**	**24**
Operating costs	**US$/wmt FOB**	**20**	**19**	**20**	**24**	**26**	**26**	**19**	**20**	**24**	**26**
- Mining	US$/wmt FOB	12	7	8	8	7	14	7	8	8	7
- Haulage	US$/wmt FOB	2	7	8	10	12	3	7	8	10	12
- Shiploading	US$/wmt FOB	6	5	4	6	7	9	5	4	6	7
Cash Margin	**US$/wmt FOB**	**22**	**25**	**20**	**16**	**14**	**11**	**8**	**3**	**-1**	**-3**

Sources: Ord Minnett estimates, company data, Bloomberg
Note: excludes royalties and taxes

Note: The data in Figure 7 is discussed further in Appendix 3

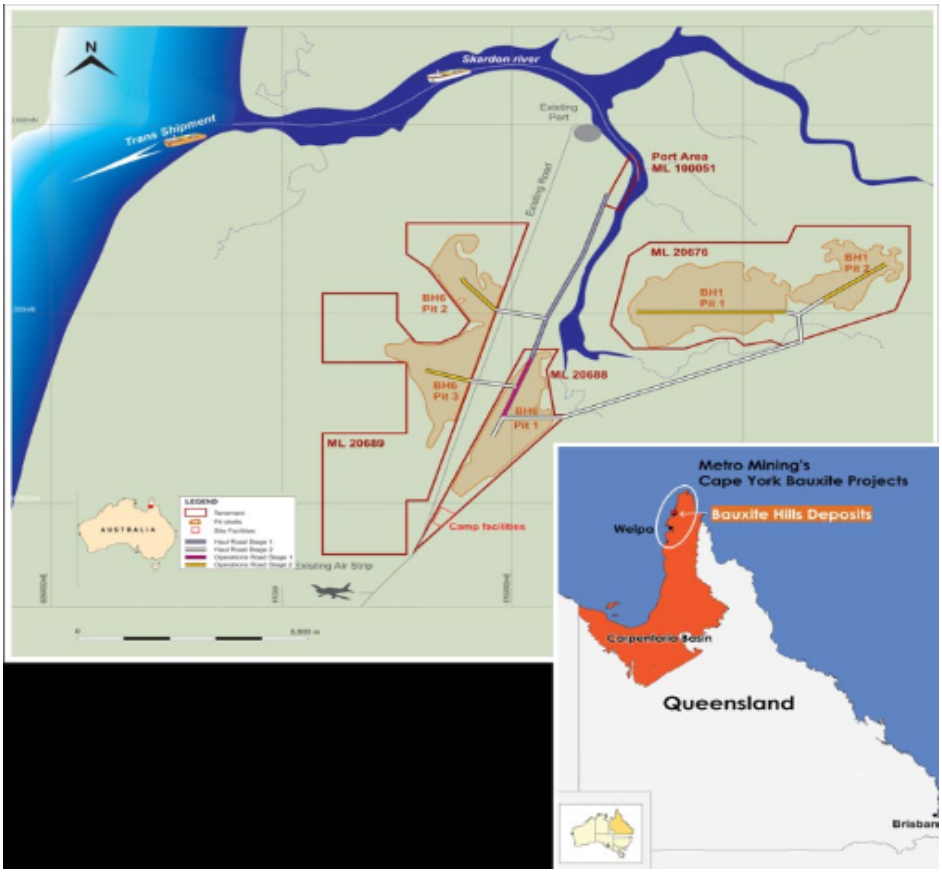
Figure 8: MMI's bauxite on a barge being loaded to a capesize vessel by the Ikamba offshore floating terminal

Source: MMI

Investment Thesis: low-cost, pure-play bauxite producer

Metro Mining is a niche Australian bauxite exporter supplying direct shipping ore to China from its Bauxite Hills mine, located near the coast in Cape York Peninsula. It offers rare pure-play exposure to the export bauxite thematic, at a delivered margin that challenges larger Guinean mines. MMI is further reducing costs by debottlenecking its logistic chain to ship more from the same operational assets.

Figure 9: Mines and river port proximal to the Gulf of Carpentaria



Sources: MMI

Exposure to potential bauxite upside on Guinea curbs

On top of MMI's work to reduce costs, it offers exposure to potential upside in global bauxite prices. Overproduction of Guinean bauxite in 2025 and MarQ-26 by China-linked producers drove the Guinea price down to US$60/dmt CIF China in February. The Guinean Government was not pleased with the resultant lower royalties and income tax and said it intends to curb overproduction by holding mines accountable to the approved production levels in their feasibility studies. Actioning this could result in a cut to exports of 33Mtpa on 2025 exports of 183Mt according to Fastmarkets. The Guinean mines Minister told Bloomberg the policy would come into effect in June 2026, but no curbs have yet been announced. If restrictions are introduced, the price should advance upwards as bauxite supply to China tightens.

Short logistic chain and China proximity is MMI's advantage

MMI has margins that are highly competitive with larger Guinea mines, despite a price discount, due to a simple mining operation, a short logistical chain from mine to vessel, and its relatively proximity to China. We discussed its competitive positioning above.

Freight is a major cost for bauxite that at present represents about half the price of bauxite for Guinean producers. Bauxite Hills is about 3.5x closer to China than Guinea, so its freight cost is about one third. Against those cost benefits, we estimate Bauxite Hills takes a ~25% cut on bauxite pricing relative to the Guinea index (45% alumina) for its less favourable monohydrate minerals and higher silica.

Figure 10: Ikamba offshore floating terminal and Skardon floating crane loading a capesize vessel from barges

Source: Metro Mining

Debottlenecking efforts reaping rewards in June

Given fixed costs, MMI needs to ship at least 6Mtpa to be economic, which it first achieved in 2024 following the purchase of the Ikamba offshore transhipment vessel. In 2025, it succeeded in almost eliminating net debt. It is now debottlenecking each step of its logistical chain to reach +7Mtpa shipments and approach the bottom of the CFR China cost curve. In June, the bottleneck was tidal constraints at the river mouth, but it had just implemented a new strict schedule for barging set 30 days in advance. This timetable forecasts tide levels and stipulates the barge loads and sailing times to maximise movements and ensure sufficient feed will be maintained to fully utilise the Ikamba Offshore Floating Terminal.

Performance improvements to translate to financials in DecH-26

An extended wet season in MarQ-26 delayed shipments early this year, so the June half year result is likely to show relatively high unit costs from lower shipments combined with subdued bauxite prices from the Guinean downturn. However, the full impact of lower pricing should be buffered by MMI's currency hedge book which totalled US$165mn at 0.64 AUD/USD at the end of March, sufficient for almost two quarters of shipments.

The financial benefits of the debottlenecking should become visible in DecH-26 with reduced unit costs. In this period, MMI will also be free of low-priced legacy shipments, and the subdued spot prices from MarQ, which have a one quarter lag in MMI's pricing, should have largely washed through. If the Guinean Government curbs exports, spot prices should also be starting to rise.

MMI's low site costs and freight distance enable the company to operate at a competitive cost relative to global peers. Our modelled C1 cash costs normalise at an annual average of A$28/wmt, supporting margins across commodity cycles. MMI has modest capital requirements as most mobile equipment is leased, so it is a capital-light operation. Free cash flow yields are expected to exceed 21% at our LT prices and 72c AUD/USD and perhaps 35% in CY27-28 in the event of Guinea price upside. We also expect EBITDA margins of ~29% through the cycle although performance remains sensitive to commodity pricing and weather-related disruptions.

Potential for 10% fully franked dividends and buybacks

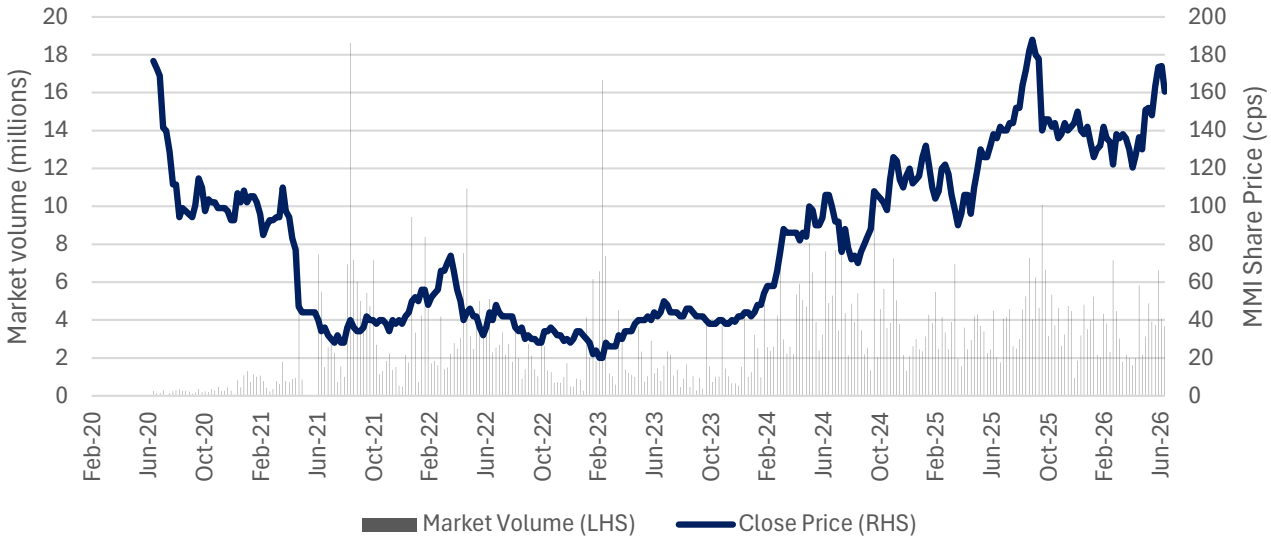
MMI intends to pay shareholders with free cash so we model fully franked dividends yielding ~20% starting in 2029 after a tax-loss shield is exhausted. Ahead of the time, with no cash tax payable, MMI will have no franking credits so we expect capital returns via buybacks, although we do not build this into our model. Under our estimates, net cash would be A$370mn by Dec 2028. However, management has stated that a war-chest will not be built. Any potential future acquisition would be taken to the share market for funding.

10 year mine life with expansion possibilities

The current mine life is 9-10 years based on reserves of 70Mt, with potential expansions of three to four years if additional resources with elevated silica became viable via low-cost beneficiation. Bauxite mineralisation at a nearby lease – Pisolite Hills may be viable through beneficiation. If so, Pisolite Hills may become a satellite operation boosting shipments by 2-3Mtpa possibly with a 2029 timing. We do not include Pisolite Hills in our earnings estimates as demonstrated feasibility and permitting is yet to be achieved.

We initiate coverage of MMI with a Buy recommendation and a 12-month target price of A$2.50/sh.

Figure 11: MMI share price & market volume history



Sources: IRESS, Ord Minnett

Bauxite: commodity price assumption

Figure 12: Ords AUD/USD & bauxite price forecast summary

		2025	Mar-26	Jun-26	Sep-26	Dec-26	2026E	Mar-27	Jun-27	Sep-27	Dec-27	2027E	2028E	2029E	2030E	LT
					F/C	F/C	F/C	F/C	F/C	F/C	F/C	F/C	F/C	F/C	F/C	F/C
AUD/USD	US¢	**0.64**	0.70	0.71	0.70	0.70	**0.70**	0.70	0.70	0.70	0.70	**0.70**	**0.70**	**0.71**	**0.72**	**0.72**
Bauxite - Guinea 45% Trihy	US$/t, dry	**82.3**	62.6	67.9	72.0	79.0	**70.4**	90.0	100.0	90.0	90.0	**92.5**	**82.5**	**77.0**	**77.0**	**77.0**
Bauxite - Baux. Hills 50% monohy	US$/t, dry	**54.5**	49.9	48.7	50.5	56.0	**51.3**	61.7	70.8	79.0	70.8	**70.6**	**66.7**	**60.9**	**60.2**	**60.0**
Freight - Gladstone-China	US$/t	**11.3**	12.9	18.2	17.0	16.0	**16.0**	14.0	14.0	14.0	14.0	**14.0**	**14.0**	**14.0**	**14.0**	**14.0**
Freight - Bx Hill-China CIF	US$/t	**16.2**	9.7	11.4	11.2	11.2	**10.9**	11.9	11.9	11.9	11.9	**11.9**	**11.9**	**12.1**	**11.5**	**11.5**

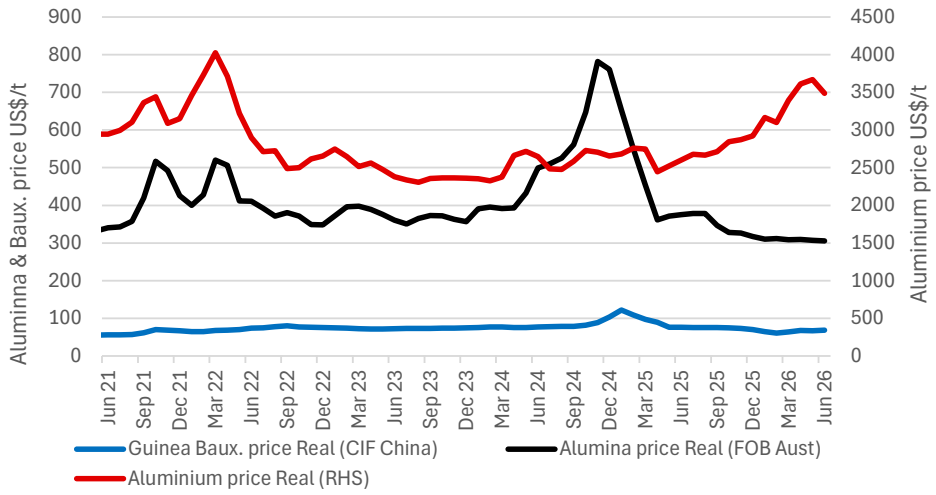
Sources: Bloomberg, Ord Minnett estimates

The section below is a summary version of a more detailed review in Appendix 3.

Bauxite and aluminium prices are not correlated

Bauxite is the primary feedstock for aluminium production via an intermediate refined product alumina. While the industries are interrelated, with minor other demand for intermediates (chemical alumina), the prices of the products are poorly correlated due to independent geographical ore-to-metal flows. Each commodity responds to its own supply and demand fundamentals. Aluminium prices are currently strong on supply disruption from the Gulf conflict. However, third party alumina prices are weak for the same reason, having lost demand from the Gulf smelters. Meanwhile, export bauxite prices to China have sagged due to overproduction in Guinea (Figure 13).

Figure 13: Real terms prices for aluminium, alumina & bauxite



Sources: Bloomberg, Ord Minnett estimates

Guinea is the world's major third-party bauxite producer

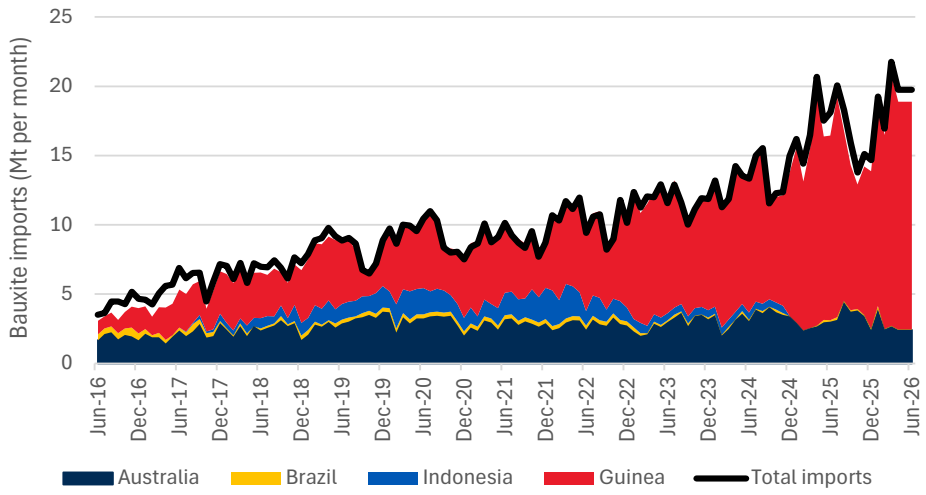
Guinea is the world's largest producer of bauxite due to Chinese involvement. Exports surged from 20Mt to 183Mt over 10 years from 2015 – 2025. Guinea enjoys the world's largest bauxite resources, estimated by the USGS at perhaps 7.5Bt, and it is a high-quality material, gibbsite, with a grade of 45% Al_20_3 and low reactive silica (~2%), suitable for low temperature digestion (140-150°C) by refineries.

China is the export destination

Guinea exported 183Mt in 2025, growing 25% YoY. By the end of 2025, 150Mt of that total (82%) made it to China according to China customs (Figure 14). China uses the bauxite to feed its mammoth aluminium smelter fleet (45Mtpa capacity restriction), which is serviced by an even larger alumina refining sector. China's bauxite resources

in contrast, are menial and poor in quality, dominated by the unattractive mineral diaspore with high silica contents. Accordingly, over the last two decades, new alumina refineries were erected in coastal locations where overseas bauxite could be readily accessed. The sources of the imports have changed, as markets opened and closed due to local regulations. Australia has been a constant source, but Indonesia was a major supplier until it banned exports in 2023, then Malaysia and finally demand has settled on Guinea, which allowed Chinese firms to set up in large scale.

Figure 14: China's imports of bauxite



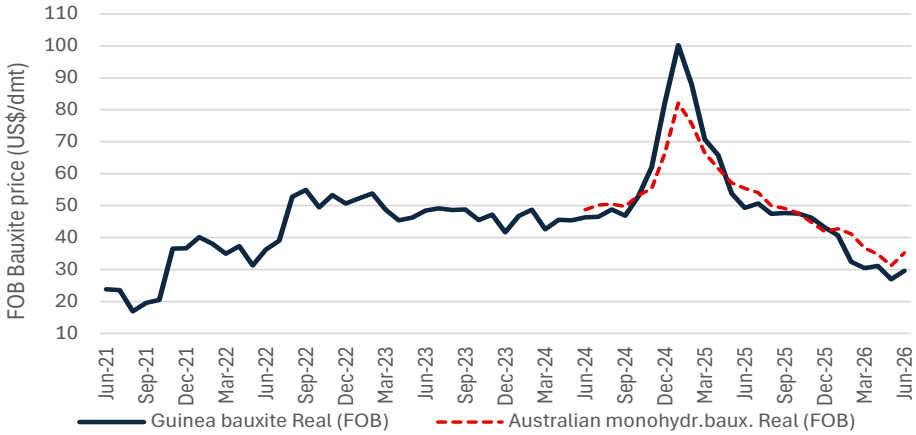
Sources: Bloomberg (China customs), Ord Minnett

The main downside of Guinean bauxite is distance from China, about 45 days voyage, and shallow coastal waters unsuitable for large vessels. However, by loading large capesize bulk carriers at offshore anchorages using specialised loading vessels, the transport cost is manageable.

Overproduction cratered the price

The 25% export volume increase in 2025 was followed by another +25% QoQ in MarQ 2026. This weighed on the price so the Guinean index price (CIF China) fell to US$60/t in Feb 2026. The impact on miners was worsened by freight rates climbing on bunker fuel costs, and surging vessel demand from Guinea. Subtracting freight rates from CIF prices, the Guinean FOB bauxite price plunged from ~US$50/dmt in real terms from mid-2022 to late-2025, to below US$30/t in JunQ-2026 (Figure 15).

Figure 15: Real-term FOB prices of bauxite from Weipa & Guinea



Sources: Bloomberg, Ord Minnett estimates

The low price presumably pleased Chinese aluminium producers enjoying high metal prices and low feedstock costs, but not the Guinean Government. It charges royalties based on FOB prices, which were sagging; and income tax on miners, which were struggling. Moreover, its State-owned Nimba Mining company may be financially underwater, and its share in mines are also making little cash. By March, Guinea was letting it be widely known that it was examining the situation and intended to slow exports.

Guinea Government response promised but still awaited

Rather than export bans, the Guinean Government is examining production compliance with feasibility studies and mining permits. The plan appears intended to reset exports to promised levels rather than the uncontrolled export oversupply that was delivered. Fastmarkets suggested that enforcement might see exports drop to about 150Mtpa, 33Mtpa below 2025. The mines that expanded beyond limits may be forced to curb production. That news alone lifted the Guinean price which had climbed to US$70/dmt by the end of June, from US$60/dmt in Feb.

If Guinea does implement a 150Mtpa bauxite export cap, analysts at CRU expects the result would be a price of US$100/dmt. Guinea controls ~70% of globally traded bauxite so it has a greater market share of traded bauxite than OPEC does for oil. Naturally, the bauxite market is watching Guinea closely. The Guinean Mines and Geology Minister said in a late-May interview with Bloomberg News that the policy was going into effect in June. However, in early July, enactment of a plan was still awaited.

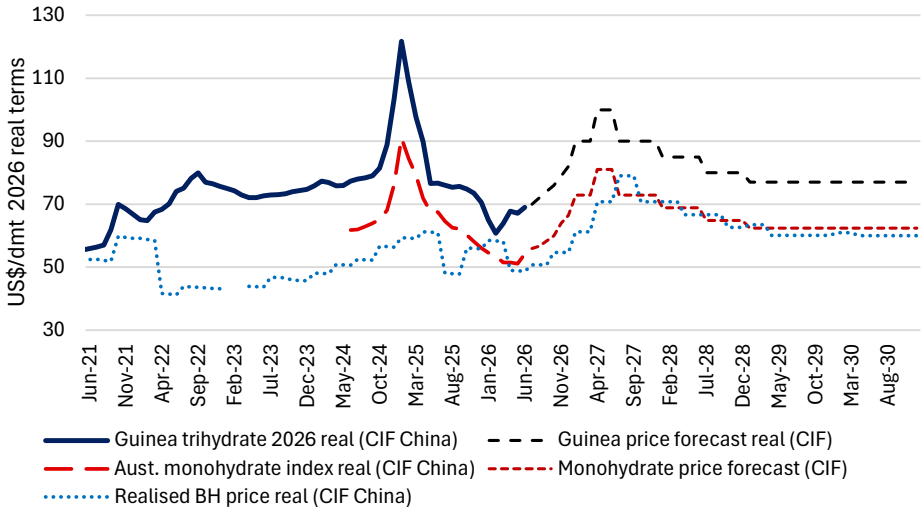
We expect Guinea will slow exports

We expect Guinea will implement cuts to restore economic health to its industry. The current $70/dmt price is elevated by expectations of a cut However if cuts are not forthcoming, we expect the price will recede as China bauxite stocks are elevated.

Without knowing the size of any Guinea export cut, it is hard to predict the outcome. Nevertheless, if it is anything more than a menial trimming or an export pause, we expect the price will climb as China is reliant on Guinean bauxite. We expect the tightening of the bauxite market in the months following implementation of a cut would see the price overshoot. But ultimately the market should rebalance and the price settle at a healthy and sustainable level. We believe that level is US$77/dmt based on the real terms price that was achieved from mid-2022 to late-2025 (Figure 16). Both Guinea and China were able to operate profitably at that level.

For our price forecasts, we expect Australian 52% Monohydrate (Weipa ore) to be discounted by 19% to Guinea ore as it has been historically, and Metro's Bauxite Hills ore to sell at $4/t below Weipa (CIF China). We forecast ~A$17/t freight rate for CIF contracts to China (60%), and an implied A$19/t rate for FOB contracts (40%). This is US$12/t at our LT AUD/USD of 0.72. Hence our Bauxite Hills FOB price (with a one quarter lag) settles at about US$47/dmt FOB from 2029 when we expect Guinea prices to level out at US$77/dmt CIF China.

Figure 16: Forecast bauxite prices, Guinea & Weipa CIF & Bx Hills CIF



Sources: Bloomberg, Ord Minnett estimates

Ords model parameters

We model Bauxite Hills on the assumptions shown in Figure 17. We also model in a dividend payment from MarQ 2029, using a 75% payout ratio of NPAT. We extend the end of Bauxite Hills, adding 38Mt of higher silica resources that may be beneficiable. We assume A$2/wmt cost for dry beneficiation and a 55% yield and which adds three years mine life, extending it to CY2038 (Figure 19).

Figure 17: Ords Bauxite Hills model assumptions

Bauxite Hills		CY25A	CY26F	CY27F	CY28F	CY29F	CY30F
Mining Profile							
Bauxite Shipped	Mt	6.17	6.85	7.35	7.35	7.35	7.35
Cost Assumptions							
Site Costs	A$/wmt	32.2	33.4	28.1	27.8	27.8	27.8
Marketing	A$/wmt	0.35	0.35	0.35	0.35	0.35	0.35
Freight	A$/wmt		15.6	17.0	17.0	17.0	16.0
Operating Costs							
Site Costs	A$mn	198.2	228.5	206.4	204.0	204.0	204.0
Marketing	A$mn	2.2	2.4	2.6	2.6	2.6	2.6
Freight CIF Shipments	A$mn	31.9	65.9	75.0	75.0	75.0	70.6
FOB Cost (before royalty)	**A$/t shipped**	**32.5**	**33.7**	**28.4**	**28.1**	**28.1**	**28.1**

Source: Ord Minnett estimates

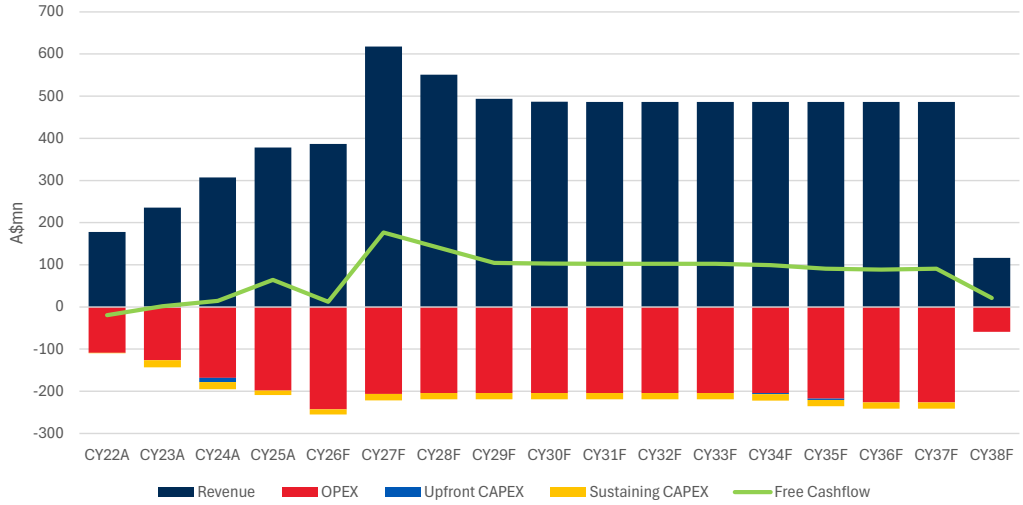
We model the exploration optionality of Pisolite Hills to determine its value, but do not include the earnings in our model, as it remains speculative. Pisolite Hills is a greenfield bauxite deposit approximately 60km south of Bauxite Hills (Figure 41). It was previously the subject of a feasibility study by Cape Alumina but was abandoned in Dec 2013 after the State Government banned mining within the Steve Irwin Wildlife Reserve which overlay a significant proportion of resource.

In 2013, Cape Alumina reported an ore resource of 134Mt at 49.7% alumina and 13.5% silica for Pisolite Hills, which it intended to beneficiate. For our model we assume 60Mt is mineable with a beneficiation yield of 66% and a wet beneficiation cost of A$6/t. MMI plans to run beneficiation tests this year, and if successful, it may add Pisolite Hills to its resources,

For a Pisolite Hills project we model 2.1Mt of annualized bauxite shipments from SepQ 2029 onwards; site costs of A$16/wmt, haulage to a new Port Musgrave barge loading facility of A$5/wmt, and an upfront Capex figure of A$30mn for a river port and in pit beneficiation. We apply a 50% risk-weighting to this project in our NAV given how early-stage the project is.

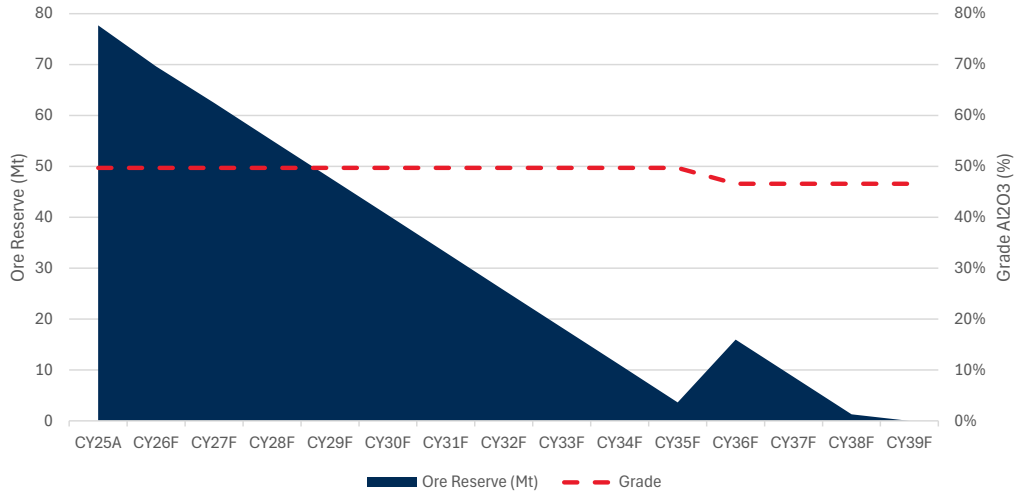
Bauxite Hills model

Figure 18: Ords Bauxite Hills cashflow generation



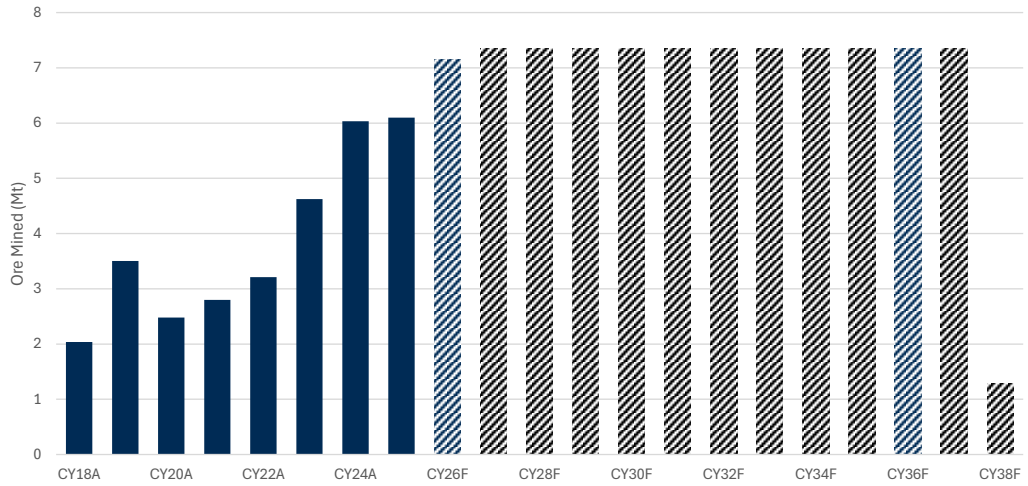
Sources: MMI, Ord Minnet estimates

Figure 19: Ords Bauxite Hills LOM reserve profile



Source: Ord Minnet estimates

Figure 20: Ords Bauxite Hills LOM ore mining profile



Sources: MMI, Ord Minnett estimates

Valuation and target Price

We select for EV/EBITDA multiple for valuing MMI

We set our 12-month price target for MMI using a forward-looking EV / EBITDA multiple on the view that the earnings is a better benchmark than the Net Asset Value (NAV). One of the difficulties in selecting an appropriate multiple for MMI is the lack of other pure play bauxite producers for comparison. As such, we look to the FCF yield figure to align the valuation with a realistic level of free cash flow generation.

Figure 21: Key financial metrics at Ords target price of A$2.50/sh

A$2.50/sh		CY2025A	CY2026	CY2027	CY2028	CY2029	CY2030
EV/EBITDA	x	10.5	11.7	2.2	2.1	2.6	2.4
EV/EBITDA Fwd 24m avg	x	11.4	4.6	2.4	2.4	2.7	2.4
PE	x	112.6	39.0	5.1	6.5	9.1	9.2
FCF yield	%	7.7%	6.9%	23.6%	17.1%	12.7%	12.5%
Dividend yield	%	0.0%	0.0%	0.0%	0.0%	10.1%	8.1%
underlying EBITDA	A$mn	72.9	61.1	246.5	192.7	143.7	141.8
EV / EBITDA 24m forward Avg	A$mn	67.0	153.8	219.6	168.2	142.7	141.5

Source: Ord Minnett estimates

At the target price of A$2.50/sh, MMI generates FCF yields of ~13% at our LT bauxite price in 2029-30. Ahead of this in CY27-28, FCF yield it may be around 20% if Guinea drives up bauxite price by restricting exports. Our target price implies a 4.7x multiple to our 24-month avg. forward-looking EBIDTA estimates for FY26. We forecast strong dividend yields from FY29 of +8% at our target price. The reason for maintaining low earnings multiples and strong yields is a limited mine life of 9-10 years on reserves and perhaps an additional 3 years if some Bauxite Hill resources become mineable with beneficiation. Given a restricted mine life, we take account of the DCF reflected in the NAV.

We calculate a Net Asset Value of A$2.30/sh for MMI

Our sum-of-the part net asset value (NAV) for MMI is A$2.30/sh using an 8.7% (real) discount rate. The weighted average cost of capital (WACC) is based on MMI's capital structure. The nominal WACC of 12.5% reflects the cost of equity (Rf: 4.75%, market risk premium: 6% & beta: 1.3).

We expect net debt is zero, although it swings markedly over the MarQ. Net debt was just A$4mn end of 2025, increased to A$44mn end of Mar when no product is shipped, but we expect A$20mn net cash by JunQ-26.

The NAV components are shown in Figure 22.

Figure 22: Ord modelled Net Asset Valuation for MMI

Assets	Gross A$mn	Risk Weight	Risked A$mn	A$/sh
Bauxite Hills Project	795	100%	795	2.59
Pisolite Hills Project	121	50%	61	0.20
Sum of Operations	**917**		**856**	**2.78**
Net Cash / (Debt)	-20.1	100%	-20.1	-0.07
NPV Corporate Costs	-129.3	100%	-129.3	-0.42
Rehab balance held by QLD Govt	28.7	100%	28.7	0.09
Rehabilitation / drydock provisions	-27.9	100%	-27.9	-0.09
Net valuation	**768**		**707**	**2.30**
Share count (mn)				308

Sources: MMI, Ord Minnett estimates

Our NAV includes MMI's 100% ownership-interest in the Bauxite Hills and the Pisolite Hills greenfield project. As the Bauxite Hills project is operational, we do not apply any risk weighting to our gross valuation. We apply a 50% risk-weight to our valuation of Pisolite Hills to reflect the fact that the project is still in the exploration stage and there are significant regulatory, technical, and execution risks involved in bringing this project online.

We add to this MMI's expected net cash position in June 2026 of A$20mn and deduct total interest-bearing borrowings of ~A$49mn. We subtract the NPV of MMI's corporate costs, rehabilitation and drydock provisions, and add the rehab balance held by QLD government to arrive at our modelled NAV.

Sensitivity testing of key inputs

Bauxite price sensitivity

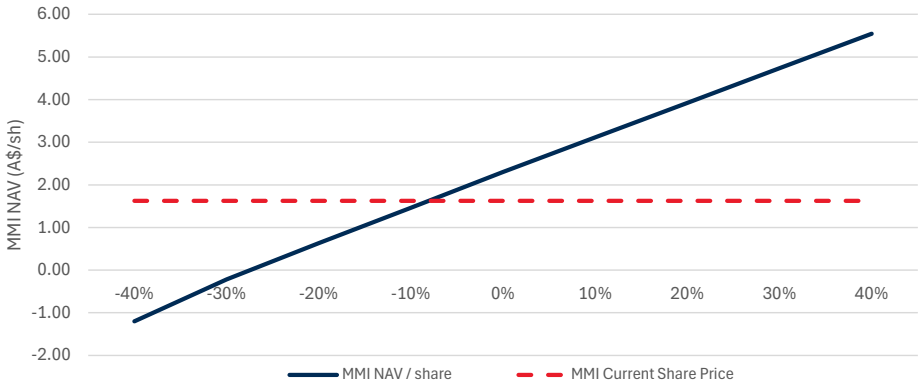
We have tested the sensitivity of MMI's NAV to changes in realised bauxite price (Figure 23). We estimate that for every +/-10% change in bauxite prices from our realised long term CIF rate of A$74/wmt, the NAV valuation of MMI moves by ~A$250mn or ~80cps. Our valuation demonstrates extreme sensitivity to realised bauxite prices.

Figure 23: MMI sensitivity to changes in bauxite price

Sensitivity - Bauxite Price										
Change From Base Case	*%*	*-40%*	*-30%*	*-20%*	*-10%*	*0%*	*10%*	*20%*	*30%*	*40%*
Bauxite Hills	*A$mn*	-178	100	337	568	796	1014	1232	1450	1667
Pisolite Hills	*A$mn*	-43	-19	6	30	61	92	124	155	186
Sum of Operations	***A$mn***	**-221**	**81**	**343**	**598**	**857**	**1106**	**1356**	**1605**	**1854**
Net Cash / (Debt)	*A$mn*	-20	-20	-20	-20	-20	-20	-20	-20	-20
NPV Corporate Costs	*A$mn*	-129	-129	-129	-129	-129	-129	-129	-129	-129
Rehab balancet held by QLD Govt	*A$mn*	29	29	29	29	29	29	29	29	29
Rehabilitation / drydock Provisions	*A$mn*	-28	-28	-28	-28	-28	-28	-28	-28	-28
MMI NAV	***A$mn***	**-369**	**-67**	**195**	**450**	**709**	**958**	**1207**	**1457**	**1706**
Share count (mn)	*mn*	308	308	308	308	308	308	308	308	308
MMI NAV / share	***A$/sh***	**-1.20**	**-0.22**	**0.63**	**1.46**	**2.30**	**3.11**	**3.92**	**4.74**	**5.54**
MMI Current Share Price	***A$/sh***	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**

Source: Ord Minnett estimates

Figure 24: MMI sensitivity to changes in bauxite price (chart)



Source: Ord Minnett estimates

OPEX sensitivity

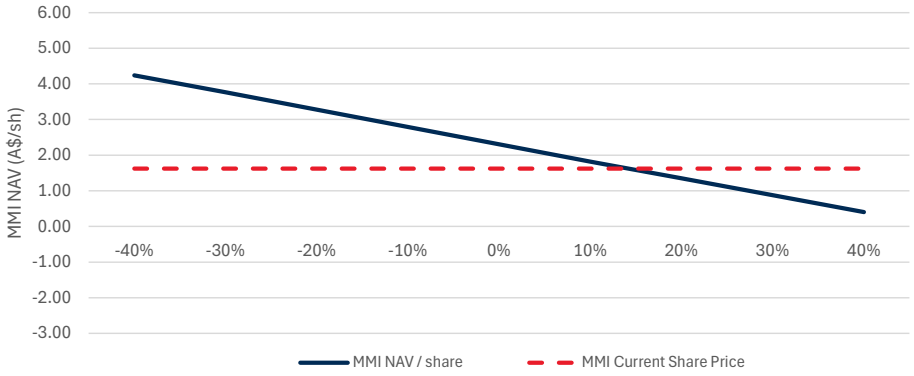
We have tested the sensitivity of MMI's NAV to changes in our assumed operating costs, as shown in Figure 25. We estimate that for every +/-10% change in opex, the NAV valuation of MMI moves by ~A$150mn or ~50cps. MMI's focus on increased shipping to reduce unit prices is thus highly important.

Figure 25: MMI sensitivity to changes in OPEX (table)

Change From Base Case	*%*	*-40%*	*-30%*	*-20%*	*-10%*	*0%*	*10%*	*20%*	*30%*	*40%*
Bauxite Hills	*A$mn*	1253	1142	1028	912	796	680	562	444	325
Pisolite Hills	*A$mn*	198	164	129	95	61	28	1	-26	-52
Sum of Operations	***A$mn***	**1451**	**1306**	**1158**	**1007**	**857**	**708**	**564**	**418**	**273**
Net Cash / (Debt)	*A$mn*	-20	-20	-20	-20	-20	-20	-20	-20	-20
NPV Corporate Costs	*A$mn*	-129	-129	-129	-129	-129	-129	-129	-129	-129
Rehab balancet held by QLD Govt	*A$mn*	29	29	29	29	29	29	29	29	29
Rehabilitation / drydock Provisions	*A$mn*	-28	-28	-28	-28	-28	-28	-28	-28	-28
MMI NAV	***A$mn***	**1303**	**1157**	**1009**	**859**	**709**	**559**	**415**	**270**	**125**
Share count (mn)	*mn*	308	308	308	308	308	308	308	308	308
MMI NAV / share	***A$/sh***	**4.24**	**3.76**	**3.28**	**2.79**	**2.30**	**1.82**	**1.35**	**0.88**	**0.41**
MMI Current Share Price	***A$/sh***	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**

Source: Ord Minnett estimates

Figure 26: MMI sensitivity to changes in OPEX (chart)



Source: Ord Minnett estimates

Capex sensitivity

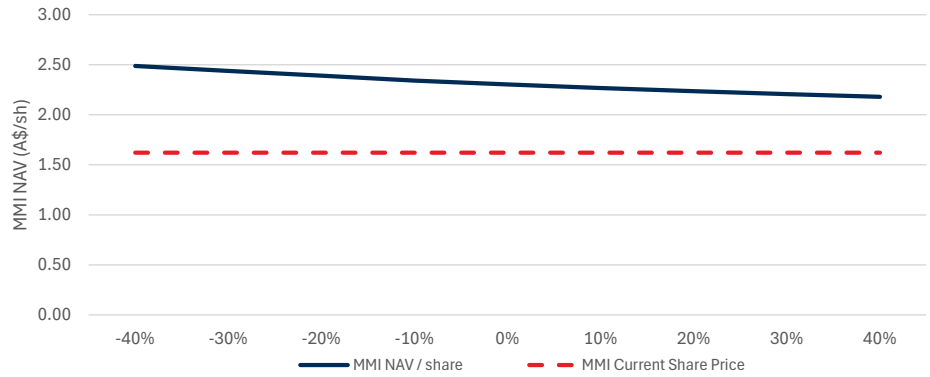
We have tested the sensitivity of MMI's NAV to changes in our growth and sustaining capex estimates, as shown below in Figure 27. The NAV demonstrates a high resilience to changes in our capex assumption, with a ~3cps impact for every 10 change in our capex assumptions for Bauxite Hills and Pisolite Hills. Even at the most extreme case of a 40% increase in Capex costs (upfront and sustaining), our estimated NAV does not go below the current MMI share price.

Figure 27: MMI sensitivity to changes in CAPEX (table)

Sensitivity - CAPEX										
Change From Base Case	***%***	***-40%***	***-30%***	***-20%***	***-10%***	***0%***	***10%***	***20%***	***30%***	***40%***
Bauxite Hills	*A$mn*	836	825	815	804	796	790	784	780	775
Pisolite Hills	*A$mn*	78	73	69	65	61	56	52	48	44
Sum of Operations	***A$mn***	**914**	**899**	**884**	**869**	**857**	**846**	**836**	**827**	**819**
Net Cash / (Debt)	*A$mn*	-20	-20	-20	-20	-20	-20	-20	-20	-20
NPV Corporate Costs	*A$mn*	-129	-129	-129	-129	-129	-129	-129	-129	-129
Rehab balancet held by QLD Govt	*A$mn*	29	29	29	29	29	29	29	29	29
Rehabilitation / drydock Provisions	*A$mn*	-28	-28	-28	-28	-28	-28	-28	-28	-28
MMI NAV	***A$mn***	**765**	**750**	**735**	**720**	**709**	**698**	**688**	**679**	**671**
Share count (mn)	*mn*	308	308	308	308	308	308	308	308	308
MMI NAV / share	***A$/sh***	**2.49**	**2.44**	**2.39**	**2.34**	**2.30**	**2.27**	**2.24**	**2.21**	**2.18**
MMI Current Share Price	***A$/sh***	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**

Source: Ord Minnett estimates

Figure 28: MMI sensitivity to changes in CAPEX (chart)



Source: Ord Minnett estimates

AUD/USD sensitivity

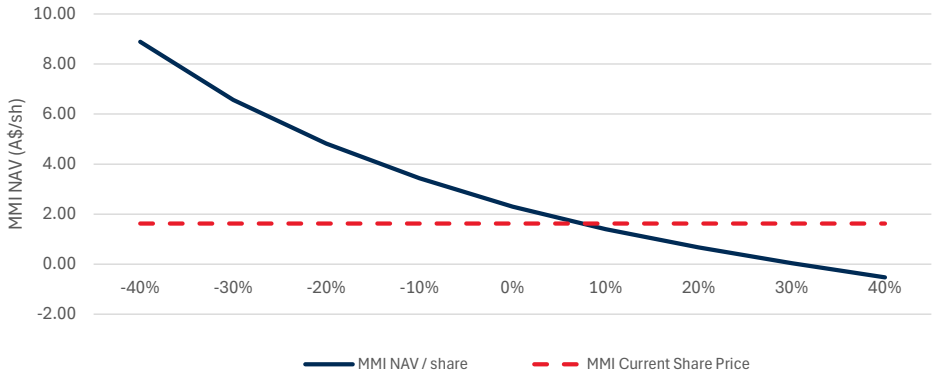
We have tested the sensitivity of MMI's NAV to changes in our AUD/USD FX estimates, as shown below in Figure 29. The NAV demonstrates an extreme sensitivity to changes in the AUD/USD, of over A$225mn or ~A$0.90 – $1.40 for Bauxite Hills and Pisolite Hills combined. As seen by the concavity of Figure 30, downside FX changes cause a greater change to NAV. The high sensitivity to AUD/USD is because bauxite is priced in USD, but labour costs are in AUD. The hyperbolic shape is because of the division of USD revenue by FX. A 10% change in the FX has an 11% change in the AUD bauxite price. Our FX forecasts are shown in Figure 12; we use 0.70 to 2028 and then grow to our LT forecast of 0.72 by 2030.

Figure 29: MMI sensitivity to changes in FX (table)

Sensitivity - FX										
Change From Base Case	***%***	***-40%***	***-30%***	***-20%***	***-10%***	***0%***	***10%***	***20%***	***30%***	***40%***
Bauxite Hills	*A$mn*	2389	1824	1405	1069	796	572	385	226	80
Pisolite Hills	*A$mn*	495	345	227	134	61	8	-31	-65	-93
Sum of Operations	***A$mn***	**2884**	**2169**	**1632**	**1204**	**857**	**580**	**354**	**161**	**-13**
Net Cash / (Debt)	*A$mn*	-20	-20	-20	-20	-20	-20	-20	-20	-20
NPV Corporate Costs	*A$mn*	-129	-129	-129	-129	-129	-129	-129	-129	-129
Rehab balancet held by QLD Govt	*A$mn*	29	29	29	29	29	29	29	29	29
Rehabilitation / drydock Provisions	*A$mn*	-28	-28	-28	-28	-28	-28	-28	-28	-28
MMI NAV	***A$mn***	**2736**	**2020**	**1484**	**1055**	**709**	**431**	**206**	**13**	**-161**
Share count (mn)	*mn*	308	308	308	308	308	308	308	308	308
MMI NAV / share	***A$/sh***	**8.89**	**6.57**	**4.82**	**3.43**	**2.30**	**1.40**	**0.67**	**0.04**	**-0.52**
MMI Current Share Price	***A$/sh***	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**	**1.62**

Source: Ord Minnett estimates

Figure 30: MMI sensitivity to changes in FX (chart)



Source: Ord Minnett estimates

Catalysts

The following news flow catalyst could have a positive impact on the share price:

- **Guinean Government moves to curb bauxite exports:** If Guinea announces concrete measures to reduce overproduction, as it has indicated, we expect the Bauxite price to steadily increase and likely overshoot long term sustainable levels. The extreme sensitivity of MMI to bauxite prices indicates how important this would be to margins and cashflow. We have built Guinean constraints into our commodity price base case. Conversely, if Guinea fails to act, we expect bauxite prices will retreat back towards $60/t on overproduction. We doubt the price can fall much lower than that as it will be below the cost base of many Guinean producers.

- **Production ramp-up / optimisation:** Continued improvements in operational efficiency and throughput at Bauxite Hills should support higher output. These initiatives involve optimizing the Skardon barge timetable to maximise the sailings around tidal constraints. Another initiative is to improve wet season shipments. Seasonality in earnings is extreme and will remain given torrential rain in the MarQ, but MMI wants to ship 500kt in the quarter to at least break even in that period. Evidence of stable run-rates and improved operational efficiency would signal de-risking of operations and materially improve profitability. Shipments beyond 7Mtpa is where the unit costs begin to drop sharply.
- **Exploration upside / resource upgrades:** Resource/reserve expansions at Bauxite Hills would prolong the existing operation and enhance asset value. Resource definition at the Pisolite Hills projects also represents a key upside catalyst. Indications of these will be management commentary about beneficiation testing and moving Pisolite Hills into the resource base. Dry beneficiation is straight forward but is constrained by weather to about six months per year. Wet beneficiation is more effective, but brings regulatory involvement for ground water access and tailings management.

Key Risks

The following key risks should be carefully evaluated and considered:

- **Bauxite price and demand**: MMI is leveraged to bauxite market fundamentals. While demand is underpinned by long-term aluminium growth, there is risk that pricing underperforms expectations due to sustained over production by Guinean producers. Sustained weakness in bauxite pricing would directly impact revenues and project economics.
- **AUD/USD risk**. Bauxite Hills has costs for labour defined in AUD, while its revenue from bauxite sales is in USD. Appreciation of the AUD against the USD would decrease margins for the mine. We use a LT rate of AUD/USD 72c from 2030 with 70-71cps in the interim. MMI tends to use FX hedging at lower rates, (64c as of MarQ-26), but this is only sufficient to cover about two quarters of revenue, and we make no assumption that low rates compared to the market will be available in future.
- **Weather and seasonality:** Bauxite mining operations are inherently exposed to seasonal weather patterns, particularly in northern Australia where wet season conditions (typically Dec-Apr) can materially disrupt activity. Heavy rainfall restricts mine access, reduces mining productivity, and limits haulage and port operations, leading to deferred shipments and working capital build-up. Prolonged wet seasons or extreme weather events (e.g. cyclones) could exacerbate these impacts, resulting in lower annual production and sales than forecast. In contrast, dry season conditions typically support higher output, creating lumpiness in quarterly performance. Effective mine planning, stockpiling, and logistics management can mitigate some of these risks, but material deviations in weather patterns remain a key operational uncertainty for MMI
- **Reserve extension risk:** We include a three year extension to the mine life on the assumption that MMI will be able to extend the Bauxite Hills mine life by converting high silica resources to reserves using low-cost dry beneficiation ($2/t), with a 55% recovery rate. This assumption carries risks that beneficiation

is not successful, or that more opex and capex heavy techniques are found necessary. If so, these issues may weigh on the valuation.

- **Project development risk:** Advancing Pisolite Hills or other assets from exploration into development carries permitting, engineering, and execution risks. Delays in approvals, environmental constraints, or challenges in defining a viable mine plan and logistics solution (haulage/export infrastructure) could materially impact timelines and project viability.
- **Logistics and infrastructure for new developments:** Bauxite projects are highly sensitive to transport and export logistics. Risks include access to port capacity, haulage costs, or the requirement for significant upfront infrastructure investment. Although bauxite Hills sits at the low-cost end of the cost curve, unfavourable logistics solutions for Pisolite Hills could materially increase operating costs and reduce competitiveness.
- **Counterparty and contract risk:** Metro's revenue generation is underpinned by quarterly offtake agreements, with contract terms influencing both pricing and volumes. While customer diversification has improved over time, the company remains exposed to counterparty performance risk, particularly in the event of contract renegotiations, delivery deferrals, or defaults.
- **Regulatory risk:** Metro operates on land subject to Aboriginal ownership and cultural heritage protections, requiring ongoing compliance with a range of ESG obligations. These include land access agreements, cultural heritage management, environmental approvals, and rehabilitation commitments. Failure to meet these obligations, or changes in regulatory frameworks, could result in operational restrictions, delays to expansion activities, or reputational impacts.

ESG Considerations

Metro Mining has established a solid environmental, social and governance (ESG) framework, underpinned by its role as a producer of bauxite, a key raw material in aluminium production. Aluminium is widely used in infrastructure, electrification and energy transition technologies, positioning Metro as an indirect contributor to lower-carbon supply chains.

Health and safety

- Metro Mining places safety as its core operational priority, embedding a "safety citizenship" culture across its workforce, with a strong emphasis on individual accountability and adherence to safety standards.
- In 2025, the company reported no serious accidents at the Bauxite Hills Mine, although seven high potential incidents were recorded, highlighting ongoing exposure to operational risk in a remote mining environment.
- Safety performance metrics showed a deterioration year-on-year, with a Total Recordable Injury Frequency Rate (TRIFR) of 9.8 (up from 7.6 in 2024) and a Lost Time Injury Frequency Rate (LTIFR) of 9.8 (also up from 7.6).
- Metro has identified safety improvement as a key priority, with planned initiatives including implementation of a Critical Risk Management (CRM) system, alignment of mining and marine safety frameworks, and expanded worker health programs such as onsite health checks and enhanced PPE.
- Overall, while Metro demonstrates a strong stated commitment to safety and has implemented structured improvement initiatives, the increase in injury

frequency rates in 2025 suggests that execution and risk controls remain areas of focus for management.

Environmental

- Environmental management for MMI is centred on minimising land disturbance, protecting biodiversity, and ensuring progressive rehabilitation of mined areas.
- Environmental management plans are in place to manage key risks, including land clearing, water usage, sediment control, and impacts on local flora and fauna, particularly given the proximity of operations to sensitive Cape York ecosystems.
- Progressive rehabilitation is a central component of Metro's environmental management strategy. Mining is undertaken in shallow, lateritic deposits, enabling disturbed areas to be rehabilitated shortly after extraction, thereby limiting the duration and extent of land disturbance.
- Soil and overburden removed from the bauxite cap is stockpiled. The bauxite is mined, and underlying ironstone ripped to allow tree root penetration. Cover and soil are replaced and drone seeding conducted just ahead of the wet season, allowing rapid germination and growth in uncompacted soil.
- This approach reduces long-term environmental liabilities and supports the restoration of native vegetation and ecosystem functions over time. Metro has reported positive rehabilitation outcomes, with areas returned to stable landforms and vegetation, and has received industry recognition for its rehabilitation practices.
- Metro also inherited unrestored landforms from previous operations of a failed kaolin project. Its mining lease stipulates restoration of these works, which it is well advanced, and it has won awards for the quality of its work.
- The company monitors and reports on environmental performance, including rehabilitation progress and operational impacts, as part of its broader sustainability and regulatory disclosure framework.
- Metro Mining's emissions are largely limited to diesel-powered mining equipment and transport activities rather than energy-intensive refining processes.
- The company currently reports on Scope 1 and 2 emissions, with total emissions remaining well below the Australian Governments 100,000t CO_2-e per annum threshold for inclusion under the Safeguard Mechanism. Scope 3 emissions reporting is expected to commence after a trial reporting process in 2026.

Figure 31: MMI greenhouse gas emissions overview 2022-2025

		2025	2024	2023	2022
Scope 1 emissions	Gross[1]	34,132	26,388	25,201	11,803
	Intensity[2]	0.006	0.005	0.006	0.004
Scope 2 emissions	Gross[1]	12	12	19	5
	Intensity[2]	0.000002	0.000002	0.000004	0.000002
Combined Scope 1 and 2	Gross[1]	34,144	26,400	25,220	11,808
	Intensity[2]	0.006	0.005	0.006	0.004

Notes:

1. All emissions reported in tonnes CO_2 equivalent for the period 1 July 2024 to 30 June 2025 consistent with NGERs reporting.
2. Emissions intensity values are based on tonnes of bauxite shipped for the reporting period.

Source: MMI Annual Report 2025

Social

- The Bauxite Hills operation is located on land owned by Traditional Owners, making community engagement and cultural heritage management critical to ongoing operations. Metro has established formal agreements and consultation frameworks with Aboriginal stakeholders, ensuring that land access, employment opportunities, and cultural heritage protection are managed collaboratively.
- Ahead of mining, Metro conducts a burn, clearing the area so that Elders can traverse the area, delimiting heritage areas such as trees with markings. These areas are preserved from mining.
- The company also contributes to the regional economy through local employment and contracting opportunities, including participation from Indigenous workers and businesses. Maintaining a strong social licence to operate is particularly important in the context of potential mine life extensions or capacity expansions.

Governance

- Metro Mining has a board comprising a mix of executive and non-executive directors, with the majority being non-executive members to support independent oversight and effective decision-making.
- We consider Metro Mining's board to be aligned with ASX Corporate Governance Council Recommendation 2.4, which recommends that a majority of the board should be independent directors, supporting objective judgement and strong governance practices.
- Metro Mining has established key board committees, including audit and risk and remuneration committees, which assist in overseeing financial reporting, risk management, and executive remuneration. These committees are primarily composed of non-executive directors, aligning with good governance practice.

Shareholder register

- Metro Mining's register is moderately concentrated, with the top 20 shareholders accounting for ~42.5% of issued capital (Figure 32).
- The three largest shareholders are FIL Ltd (9.1%), WILLIMS Group (8.1%), and Pinnacle Investment Management Group Ltd (5.0%), followed by a range of institutional and resource-focused investors holding smaller positions.
- The register is relatively diversified compared to many small-cap mining peers, with institutional investors collectively holding 35.3% of shares outstanding across 27 holders. Ownership is further spread across corporations (14.1%), sovereign wealth funds (6.1%) and individual investors (3.9%), supporting a broad and balanced shareholder base.

Figure 32: Top 20 MMI shareholders

#	Holder Name	Position	% Out
1	FIL Ltd	27,956,116	9.08
2	WILLMS GROUP	25,040,210	8.14
3	Pinnacle Investment Management Group Ltd	15,376,735	5
4	Golden Energy And Resources Ltd	12,578,265	4.09
5	Future Fund /The	7,998,161	2.6
6	Carne Global Financial Services Ltd	7,650,000	2.49
7	Norges Bank	5,080,779	1.65
8	BALANCED PROPERTY PTY L	4,165,365	1.35
9	Dadi Engineering Development Group Co Ltd	3,908,434	1.27
10	Dimensional Fund Advisors LP	3,462,798	1.13
11	American Century Cos Inc	3,044,731	0.99
12	Hollings Clayton William	2,500,000	0.81
13	PNE ENERGY PTE LTD	2,190,039	0.71
14	Wensley Simon	1,845,854	0.6
15	CMA & AA PRATT PTY LTD	1,790,000	0.57
16	OYSTERCATCHER INV PTY LT	1,557,298	0.51
17	Firetrail Investments Pty Ltd	1,325,826	0.43
18	TREASURY SRVC GRP PTY	1,325,108	0.43
19	Macquarie Group Ltd	1,089,691	0.35
20	Katana Asset Management Ltd	1,050,000	0.34

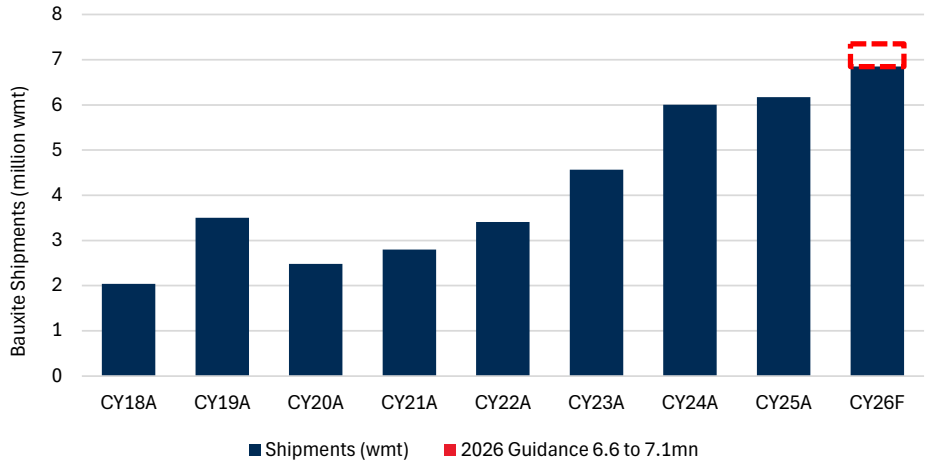
Source: Bloomberg

Detailed Review of the Mining Operations

Expanding to become a significant and profitable bauxite exporter

MMI mines and ships bauxite from Cape York Peninsula in Queensland to China. MMI's Bauxite Hills operation commenced production in Apr 2018 and has gradually expanded. Inaugural shipments were 2.0Mt in CY18 and remained constrained to a maximum of 3.5Mt until MMI embarked on an expansion program in 2023-24. Shipments reached 6Mt in CY24 when the Ikamba Offshore Floating Terminal arrived, and 6.2Mt in 2025. This year, MMI is guiding to 6.6 –-7.1Mtpa in line with its immediate objective to regularly exceed 7Mtpa and hit 8Mtpa. The current ore reserve of 70Mt, support a 9–10-year operation.

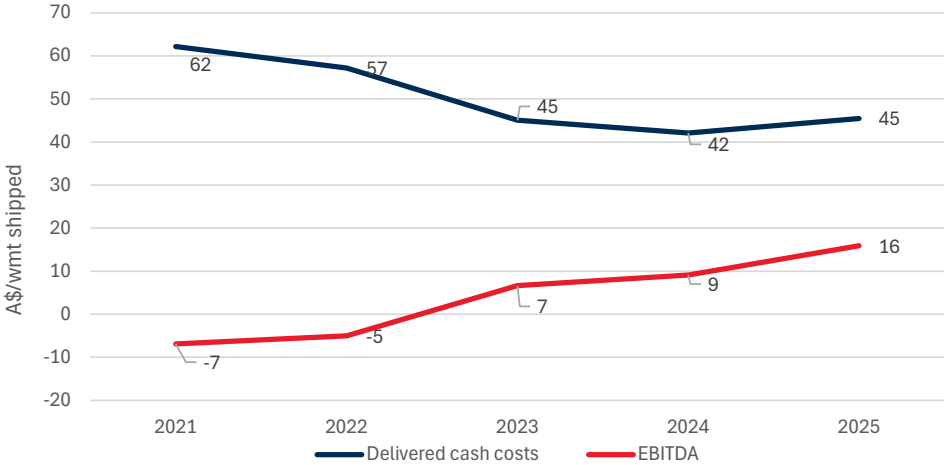
Figure 33: Bauxite Hills operation shipments history



Sources: MMI, Ord Minnett

Higher shipments dilute fixed costs. With higher shipments and on the back of the operation's favourable location proximal to China, it aims to be the world's cheapest bauxite producer. Net debt peaked at A$100mn in MarQ-2024 with the purchase of the Ikamba offshore floating terminal to load ships but had been wound back to A$4.5mn by the end of DecQ-25.

Figure 34: Bauxite Hills falling delivered costs and growing margins



Sources: MMI, Ord Minnett

Resources

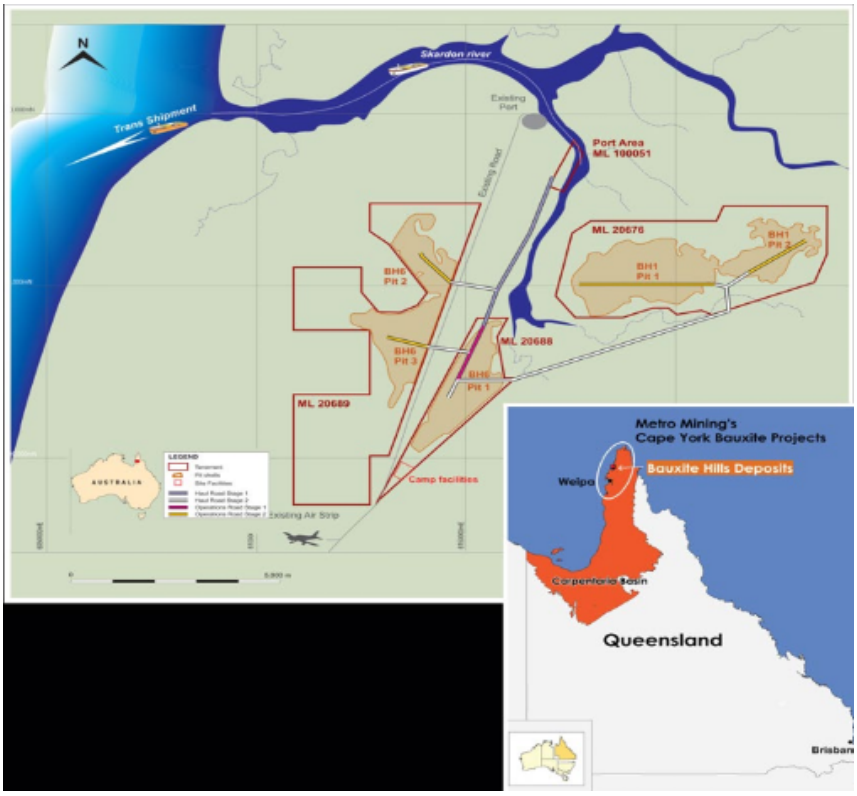
MMI's resource is the northern end of the Weipa Bauxite Plateau which is well known globally. Unlike Rio Tinto's Weipa operation, MMI does not beneficiate and instead operates a direct-ship model (DSO). At the end of 2025, its reserves were 70Mt with 13.5% silica from a resource of 107Mt with 14.3% silica. Its customers bauxite specifications are typically around 50% alumina and 11%-12.5% silica. The reserves are sufficient for ten years mine life at the mining rate MMI hopes to achieve. It has other plans discussed later to expand mineable reserves.

Most bauxite is a residual laterite formed by intense chemical weathering of rocks removing most elements other than immobile aluminium oxide. The key bauxite minerals are aluminium hydroxides, gibbsite (trihydrate), boehmite, and diaspore (both monohydrate). The relative desirability of the minerals generally lies in that order with gibbsite being amenable to low temperature digestion, whereas the required temperature rises through boehmite to diaspore. Diasporic bauxite is hard, essentially rock, whereas lateritic bauxite formed of the other two minerals are soft and rippable by bulldozer blade. Guinea is dominated by gibbsite whereas Weipa and Bauxite Hills are dominated by boehmite.

A remote operation serviced by ships and planes

Production at MMI's operation is focused on mining at Bauxite Hills located approximately 95km north of Weipa on western Cape York Peninsula. The operation is remote, but coastal, and is serviced by third party vessels bringing food, fuel and spare parts to the company's piers in the Gulf of Carpentaria. Personnel are transported by aircraft from Cairns to the company's airstrip.

Figure 35: Bauxite Hills project



Source: MMI

There are approximately 500 personnel across the logistical chain that extends from ~10km inland, to 15km out into the Gulf. The key nodes are the bauxite mines; the river port which loads barges on the Skardon River; and the live-aboard ship loader –

Ikamba Offshore Floating Terminal, supplemented by the TSA Skardon floating crane, which operate 9-10 nautical miles (18km) offshore. Road trains with four trailers carry ore from the mine around 9km to the fiver port; and a fleet of seven tugs move 6 barges between the river port and the ship loaders.

Expanding despite weather control

The climate in this tropical environment alternates between wet and dry seasons, with the wet season typically delivering daily torrential rain and periodic cyclones. Weather largely controls the operations, and Bauxite Hills is paused for most of the MarQ due to the wet season. The timing of the stoppage of operations for the year and the restart is likewise controlled by weather.

Following capital investment in ship loading capabilities in 2024, MMI is focused on expanding shipments from 6Mtpa to 7Mtpa and ultimately to 8Mtpa. A related aim is to load three capsized vessels in MarQ – about 500kt – which should allow MMI to at least achieve breakeven cashflow during the quarter. Previously the mine has recorded negative cashflow in the MarQ with zero shipments, and stronger cashflow for the remaining three quarters. The company believes this extreme variability is unattractive to investors. It now has the ability to hold stockpiles through the wet season which should allow it to manage some shipments.

In 2026, the wet season was particularly heavy and extended, so the restart of operations was delayed. Once restarted they halted again in late-March for a tropical cyclone. In addition, the Ikamba ship loader was in dry-dock in Singapore and only returned to begin loading on 3 May. This has slowed shipments to date. MMI adjusted down expectations but continues to guide to record shipments of 6.6 to 7.1Mt shipments for the year. Operational improvements discussed below lie behind the strong guidance.

Mining Methodology

The Bauxite Hills mine is characterised by shallow, lateritic bauxite deposits that are amenable to simple, free-dig open-pit mining. The orebody is flat-lying and typically just 1.0 –1.5m thick with 0.5m soil cover. Mining cost are low due to a low strip ratio with minimal pre-stripping, and ore that is rippable by bulldozer eliminating drilling and blasting and enabling high productivity.

Mining is undertaken using bulldozers ripping the bauxite and scraping it into piles, with front-end loaders filling the trucks. The operation is designed to maximise production in the dry season operating window, with mining benches typically shallow and wide, allowing efficient fleet movement and high utilisation rates. Ore selectivity is important given variations in the lateritic profile. Grade control starts with 20m grid drilling, and the bulldozers are equipped with GPS location to follow the mine model. Two pits are operated concurrently.

Mining occurs during the dry season only, as operations would be difficult during the torrential rains in the heart of the wet season. However, the main connecting road between mines and river port has now been lifted to prevent flooding and damage during the wet season, which has made the operation more resilient.

Progressive rehabilitation is integrated into the mining cycle, with mined-out areas backfilled, contoured and revegetated shortly after extraction. The shallow and laterally extensive nature of the deposit allows rehabilitation activities to closely follow mining, reducing long-term land disturbance and lowering closure liabilities.

Drone reseeding of rehabilitated areas occurs at the end of each year ahead of the wet season.

Figure 36: Truck loading at the mines for transport to river port

Sources: MMI

Skardon River port

Trucks with one prime mover hauling four trailers with up to 240 tonnes each, cart the bauxite ore an average of 9km from the mines to the river port. The ore is deposited in ROM stockpiles which are sampled to ascertain grade. Front end loaders feed bauxite from the ROM stockpiles for screening to less than 100mm. Oversize is later fed into a mobile crusher and returned to ROM.

In previous years the environmental conditions mandated that the ROM pad was cleared ahead of the wet season shutdown. However, in 2025, MMI received approval to hold permanent stockpiles at the River Port with the ROM stockpiles contoured to capture rainwater runoff in a pond. This ROM stockpiles can hold 400kt, and with another 100kt trucked from the mine stockpiles, should allow MMI to ship three capes during the wet season, as it intends.

After screening, the ore is conveyed to an overhead barge loader capable of loading at a rate of almost 2000t per hour. MMI has a fleet of six barges, and seven tugboats. The barges are capable of carrying up to 7500t each, but the actual load is carefully scheduled as it depends on tidal water depths in the near-shore river channel. Each barge carries a front end loader and bulldozer, to heap the ore during unloading at the ship anchorage.

There is advanced quality assurance at the river port. Stockpiles are assayed, and there is a neutron scanner providing real-time composition of the ore on the conveyors. The purpose is to allow MMI to blend ores to meet the customers' sales specifications for alumina and silica contents.

Figure 37: Barge loading at Skardon River port

Sources: MMI

Offshore ship loading

The logistics chain is designed around a transshipping model, with barges transporting bauxite downstream and offshore to a dedicated anchorage approximately 10 nautical miles (18km) from the coast where the water depth is about 19m. This offshore distance reflects the shallow bathymetry and gradual seabed profile of the Gulf of Carpentaria, which precludes capesize vessel access near shore.

At the offshore transshipping location, bauxite is transferred from barges to ocean-going vessels using a combination of two systems: a conventional floating crane ("Skardon") and an Offshore Floating Terminal (OFT) "Ikamba". The Skardon floating crane has a loading capacity of approximately 1,000tph and is capable of loading capesize vessels, although its operability is constrained under adverse weather conditions. In June 2026, the Skardon was awaiting towing to Indonesia for its five-yearly dry docking.

The arrival of the Ikamba at Bauxite Hills in 2024 represented a step-change in transshipping capability. The vessel is a purpose-built offshore terminal measuring 132 metres in length and 28 metres in width, with a deadweight of ~5,000 tonnes. It incorporates dual cranes feeding integrated conveyors and a ship-loading boom that can reach three hatches, enabling peak loading rates of up to ~3,000tph with sustained throughput of ~2,300tph. It is able to operate in swells of up to 2.5m. The large platform and integrated design provide stability and continuity of operations in offshore conditions, while also enabling loading of vessels up to Newcastlemax size (carrying 210kt). The crew lives aboard the Ikamba for up to three week stints at the mine.

Most of the vessels MMI fills are capesize, carrying 180kt loads. The load rate changes during unloading of a barge – with two cranes operating initially, reducing to one crane as the ore diminishes and is piled into a limited area with the bulldozer and front end loader. The shipping schedule is for Ikamba to load at least 30kt per day from six barges, filling a capesize vessel in 6.5 days. This load rate would equate to 7Mtpa for the nine dry months and 500kt in the wet MarQ. Recent performance improvements have seen the Ikamba exceed 30kt per day. Barge changes take about 30 minutes, and moving the Ikamba to a new Ocean Going Vessel takes about four hours. Once

the Ikamba is connected to the vessel, it can move itself alongside with winches, to access different hatches.

Figure 38: Cape vessel loading with Ikamba (near side) & floating crane.

Source: MMI

The Ikamba is 14 years old. It was originally built for transshipping iron ore in Western Australia but spent most of its previous life transshipping bauxite offshore of Guinea. MMI acquired it at the expiry of its contract, towed it to China for refurbishment and then onto the Gulf of Carpentaria.

Following its recent dry-docking, the Ikamba's performance has been very strong, exceeding its needs. It can readily meet MMI's shipping target single-handedly without the assistance of the Skardon floating crane. Thus the Skardon is being sent for dry-docking.

The challenge MMI faces is keeping the Ikamba fed with barge loads due to tidal constraints around the Skardon River channel. MMI in June enacted a new regime, where the barge schedule including the load and timings of sailing are set 30 days in advance, and enacted like a bus timetable. This regime should maximise the sailings of barges during the period with the worst tide challenges, which occurs in June and July.

Processing and Handling

Metro's Bauxite Hills DSO operations utilise a deliberately simple processing flowsheet, reflecting the nature of the bauxite. The material is free-dig and delivered as run-of-mine (ROM) ore, requiring only dry crushing and screening prior to export. There is little beneficiation, flotation, or chemical treatment, and no wet plant or tailings circuit, eliminating the need for complex plant infrastructure, water consumption, and minimal energy requirements. The absence of tailings generation further lowers environmental impact and contributes to a minor footprint relative to many bulk commodity operations.

Bauxite at the ROM pad at the River Port is fed into a screening circuit designed to remove oversize and control product sizing. The key objective of the processing stage is not upgrading but rather ensuring consistent particle size distribution and managing moisture content to meet customer specifications and optimise downstream handling performance.

The screening circuit includes a high-capacity wobbler feeder/sizer circuit. The wobbler system improves throughput by efficiently handling sticky or high-moisture ore conditions, reducing blockages and maintaining consistent feed into the crushing and screening stages. This is particularly important in the environmental conditions, where ore moisture can vary markedly across the operating season.

Figure 39: Screened bauxite with wobbler blocking cemented oversize

Source: MMI

Ore is then stockpiled and blended as required, providing a degree of feed consistency and quality control prior to shipment. Given that Metro sells a direct shipping ore (DSO) product, maintaining stable product specifications is critical to customer acceptance and pricing outcomes.

Recent beneficiation additions

The in-situ bauxite transitions from high silicas at the upper and lower boundaries, to low silica in the core. In the initial mines the gradation was gradual, so mining could just set aside the top layer while extracting the remainder. In the recent pit 5, the boundary between high and low silica was found to be very sharp. MMI's new mining regime is to set aside a wider portion of the high silica material and direct ship the low silica core. To maintain the ore reserve tonnages, MMI is now operating a small, mobile dry screen unit at the mine. This sieves the ore down to 1.5mm, retaining the oversize as ore with the undersize remaining in the pit. The undersize is predominantly clay containing reactive silica up to 20%. With the clay component reduced, silica in oversize reduces and brings the material into specification.

The dry-screen unit is cheap and operates intermittently with two personnel. One uses a front end loader to feed the unit.

Capacity expansions and efficiency through the logistics chain

The efficiency of MMI's logistics chain is the primary determinant of both achievable throughput and unit costs, with the 2023-24 investment in transshipping infrastructure reducing historical bottlenecks. As capacity has increased, constraints have progressively shifted toward barge loading and river-based logistics, reinforcing the importance of ongoing system optimisation.

Current infrastructure at Bauxite Hills supports an effective operating capacity of approximately 7.5Mtpa through each individual unit of the logistic chain. The recent focus has been to enable the whole chain to deliver this capacity, eliminating bottlenecks. These seek easy wins for greater efficiency through operating practices.

These include optimisation of barge loading rates and delivery schedules optimized for tides 30 days in advance, improved cycle times within the tug and barge fleet, with faster changeover at the Ikamba and faster port loading to continually enhance transshipping efficiency.

In late-2025, the bottleneck had moved all the way back to land clearing, grade control drilling and stripping ahead of mining. This year, MMI has accelerated operations preparing new mining areas, removing this bottleneck.

The four trailer trucks for transport are highly efficient, and the uplift of the main road to prevent flooding has increased trucking resilience. The current suite of mines are closer to the port than the original mines, so stockpiles at port are high. MMI also highlights a new lining it added to the trailers. It previously found many tonnes of ore were sticking in the trailers and being carted back and forth. The new lining ensures full unloading, gaining the full benefits of the truck capacity.

The barging remains the current bottleneck as June-July are the tightest months for tides. Nevertheless, with the new barge schedule practice, ship loading has exceeded 800kt in the month of June, a strong result supporting MMI's annual guidance.

Figure 1: Schematic of pit-to-ship logistics chain

Source: Metro Mining Limited

Reserve expansions

MMI has both short- and long-term plans to expand its reserve from 70Mt at 49.7% alumina to extend the life of the operation beyond its current *circa*. ten years.

Of the 13.5% SiO_2 in the reserve, about 6.5%-7% is reactive (held in clay minerals), the remainder is quartz, which is chemically resistant, but becomes soluble at high temperatures approaching 250°C. About 40-44% of the Bauxite Hills bauxite is gibbsitic (suitable for low temperature digestion), the remainder is boehemite requiring higher temperatures for digestion at a refinery.

Short term resource conversion

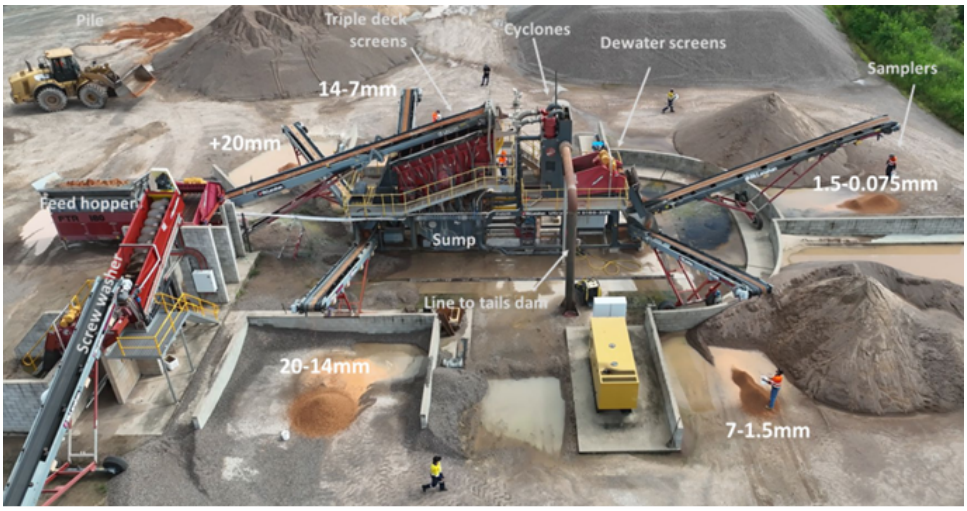
The short-term plan is to convert more of the remaining resource to reserve. However, the material excluded from the reserve has higher silica – 15.8% compared to 13.5%

in reserves, so MMI plans to test both wet and dry screening as a beneficiation technique.

Dry screening is cheap and an effective way of removing finer material – mainly kaolin clay – which contains reactive silica. However, dry screening can only be undertaken for six months of the year starting in May-June during the dry season. Testing suggests it might recover 80% of the bauxite, but 55% might be more applicable in operation.

Wet screening is more expensive and requires greater infrastructure for settling ponds as well as access to water which probably means borefields. A major advantage is that it can be undertaken all year around. This is the technique that Weipa uses for all its product, but MMI is yet to undertake a trial. Washing allows screening below the 1.5mm limit of dry techniques, so more bauxite can be recovered. Wet screening can remove both the clay and the quartz grains which both contain silica. Weipa washes all its bauxite and upgrades the product to 54% alumina and 9% silica.

Figure 40: Render of planned wet plant



Sources: MMI

Long term plan is to access Pisolite Hills.

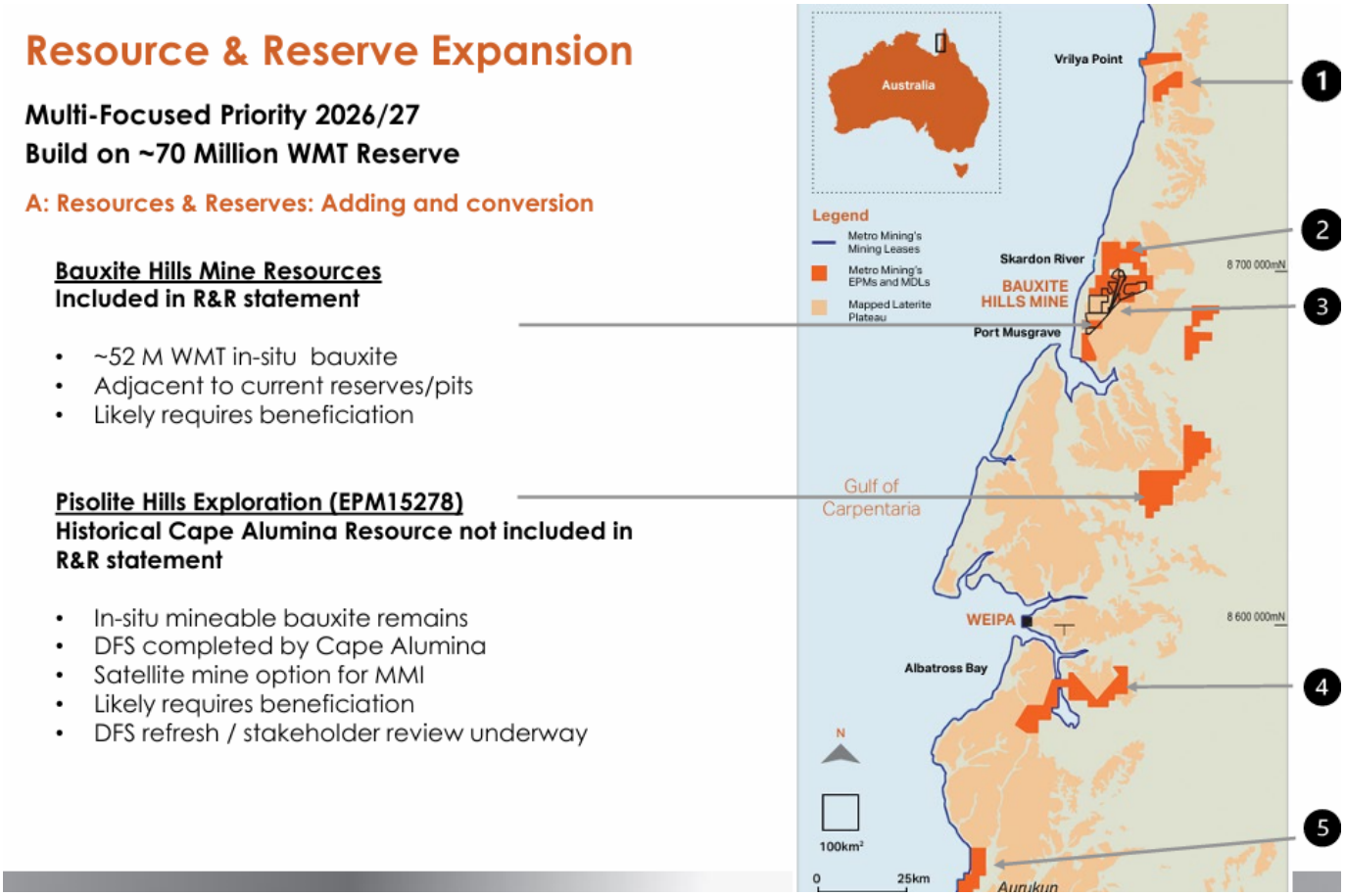
MMI holds the Pisolite Hills deposit (ex-Cape Alumina) which reached feasibility study. In 2013, Cape Alumina reported an ore resource of 134Mt at 49.7% alumina and 13.5% silica. It planned wet beneficiation with 55% recovery to produce 89Mt at 53.1% alumina and 12.3% silica. However, the Queensland Government created the Steve Irwin Wildlife Reserve in November 2013 and banned mining within it. The reserve overlapped and sterilized a large portion of the Pisolite Hills resource so it was no longer viable as a stand-alone operation and the Cape Alumina project abandoned. The remaining resource outside the new reserve was not announced. We estimate it might be 60% of the original resource, or 80Mt

MMI now holds the Pisolite Hills licences and is considering the area as a satellite deposit to Bauxite Hills. The high silica requires wet beneficiation, so MMI plans to run the tests this year. If screening is successful, it will add Pisolite Hills to its resources.

There are rivers between Pisolite Hills and Bauxite Hills so it cannot be a simple extension of the Bauxite Hills mine. Pisolite Hills would need its own river port at Port Musgrave but could use the same offshore loading facilities. For a mine, MMI would

need additional permits for roads and other infrastructure. The plan would be to operate a hub and spoke model and by taking 2-3Mtpa from Pisolite Hills to reach 10Mtpa of shipments. That will take time for permitting so cannot occur before 2028.

Figure 41: Potential for resource expansion, and 5 exploration areas



Source: MMI

Other Areas

MMI also has five other exploration leases.

MMI holds an EPM north of Skardon River but that does not look promising. Instead it is trying to gain access to the Arukun leases 35km south of Weipa. However, given distances, this would be an entirely new mining area, remote from Bauxite Hills. We do not include it in our valuation.

Bauxite marketing

In detail, Bauxite Hills ore comprises mixed gibbsite/boehmite minerals (44%/56%). The stable mineral structure of monohydrate boehmite requires high temperature digestion at a refinery (240-260°C) compared to trihydrate gibbsite (140-150°C).

MMI markets its bauxite to China as a good blend for Guinean gibbsite bauxite. If a refinery heats the liquor above 260^{0}C as those using China's domestic diasporic bauxite must, then all the silica, whether in clay or quartz will become reactive and dissolve. This consumes a lot of caustic soda but may be acceptable if the refinery has very low cost integrated caustic supply.

However, if the temperature is reduced to 220-240^{0}C, then a coarse blend of Guinea and Bauxite Hills ore dissolves only the reactive silica (in clays) and 20–25% of the quartz. The dissolution if Bauxite Hills ore is very swift taking just 8-10 minutes and the caustic consumption for this mix is less than using Weipa ore alone. The value in use of the ore is the chemical behaviour rather than the direct comparative specs.

MMI considers the greatest downside from not washing bauxite is actually the organic material which affects the crystallisation of alumina. MMI says one inland China refinery runs campaigns using Bauxite Hills ore. It uses Bauxite Hills ore for three months until organics build up, then switches to domestic diaspore with low carbon to settle the organics. The refinery has a limited front-end capacity but has high temperature control, so it benefits from the swift 10 minutes residence time of the bauxite at the correct temperature.

Pricing

MMI works with the Chinese refineries rather than selling at spot prices. It tends to sign three-month contracts that lag spot prices by 2-3 months. The pricing tends to follow Guinea's with a discount, as Guinea is the Chinese benchmark feed. MMI expects a $15/t discount when Guinea CIF prices are $65/t. In 2022 it agreed to sign some fixed price contracts, but those are now all completed.

MMI prefers CIF contracts as it can lock in low shipping prices, and better schedule laycans. However, some clients insist on FOB pricing, contracting their own shipping. Over time, MMI expects FOB shipments will comprise about 40% +/- 5%. We expect FOB shipments to have a realised margin about A$2/t below CIF contracts.

Currency hedge book: MMI maintains a currency hedge book which has been effective. At the end of March 2026, it held US$165mn in hedges at a rate of 0.64 AUD/USD, effectively lifting its realised bauxite price.

Costs

Fuel is 10% of MMI's cost base. At US$100/bbl oil its costs might rise by a few dollars per tonne above budget, which was A$24/t at the start of this year.

All MMI's mobile land fleet and its tugs and barges are hired so it does not pay sustaining capex. MMI owns the Ikamba, the camp and the barge loader at the river port so does pay to sustain these. Sustaining capex is normally about $3/t including $2/t for the Ikamba. However, in 2026, sustaining capital was $11-$12/ because the Ikamba went to dry-dock overseas. Dry docking is five-yearly, not annual.

Capital management

MMI used to carry debt, especially after the 2023-24 expansion and purchase of Ikamba. Now it has eliminated net debt and intends to return cash flow to shareholders. It plans to do this by way of dividends or buy-backs. It has about A$200mn in tax losses so is unlikely to pay tax until 2027-28. This implies no franking credits, so buy-backs may be a more tax-effective means of delivering earnings to shareholders.

MMI has stated that it will look at M&A as all companies do, but it does not intend to build a war chest. If it has a growth project, it will take it to the market for funding.

Appendix 1: Board & Management Team

Board of Directors

Douglas Ritchie – Independent Non-Executive Chairman

Mr. Ritchie was appointed as Independent Non-Executive Chairman in July 2021. He has over 40 years' experience in the resources industry, including 27 years with Rio Tinto.

During his career at Rio Tinto, Mr. Ritchie was a member of Rio Tinto's Executive Committee and served as Group Executive responsible for China. He held several senior leadership roles including Managing Director of Rio's Dampier Salt Ltd, Rio's Head of Business Evaluation, Managing Director of Rio Tinto Diamonds, Chief Executive of Rio Tinto Coal Australia, Managing Director of Strategy, and Chief Executive of the Energy Product Group. He also served as Group Executive Strategy and Chair of the Rio Tinto Staff Superannuation Fund.

Mr. Ritchie retired from executive roles in 2013. He is a Fellow of the Australian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Company Directors. He was formerly a Director of the Queensland Resources Council.

Simon Wensley - Managing Director & Chief Executive Officer

Mr. Wensley was appointed as Managing Director and Chief Executive Officer in July 2021. He is a proven leader with 35 years' experience in the metals and minerals industry, with expertise spanning research and development, strategy formulation, finance, sales, marketing and trading, large-scale capital projects, and asset turnaround and business improvement, as well as mergers, acquisitions and divestments.

Mr. Wensley commenced his career at Kobe Steel Ltd in Japan, working in coal chemistry research and development and major projects. He subsequently spent 20 years with Rio Tinto in a range of operational, project and leadership roles across multiple commodities including iron ore, copper, industrial minerals, bauxite, alumina, coal and uranium.

Mr. Wensley has significant board experience, having previously served as Chairman of Queensland Alumina Ltd and as a director of Rio Tinto Marketing Pte Ltd (Singapore), Rössing Uranium Ltd (Namibia) and Riversdale Coal entities (Mozambique).

Mr. Wensley holds an honours degree in Chemistry from the University of Oxford and a Master of Business Administration from INSEAD. He is also a graduate of the Australian Institute of Company Directors and has advanced training in ENS negotiation techniques.

Andrew Lloyd – Independent Non-Executive Director

Mr. Lloyd was appointed as an Independent Non-Executive Director in February 2022. He has 35 years' experience in the resources industry, retiring from Rio Tinto in July 2013.

During his career at Rio Tinto, Mr. Lloyd held senior commercial, project development and board roles across operations in Papua New Guinea, Australia and the United Kingdom, working across copper, aluminium, coal and uranium. He was a senior executive in the Energy product group, responsible for investment planning and analysis.

Mr. Lloyd has significant project experience, having worked at Bougainville Copper in Papua New Guinea, Comalco in Bell Bay, and at Gove for Nabalco's bauxite mine and alumina refinery. He also led the Kintyre uranium project, including negotiations with the Martu Traditional Owners.

He has previously served on the boards of Energy Resources of Australia, Coal and Allied Industries, Rössing Uranium Ltd (Namibia), and Kennecott Energy (USA). He is currently the independent Chair of Jabiru Kabolkmakmen Ltd and was formerly a director of Developing East Arnhem Ltd.

Mr. Lloyd holds degrees in science and commerce and has extensive experience in corporate governance and stakeholder engagement. He is also a volunteer firefighter with the Acheron CFA.

Hon Paul Lucas – Independent Non-Executive Director

Mr. Lucas was appointed as an Independent Non-Executive Director in October 2024. He has extensive experience as a non-executive director across a broad range of sectors, including water, energy, aviation, rail, economic development, health and civil construction, with board experience spanning both the private sector and government-owned enterprises at all levels of government.

Mr. Lucas currently serves as Chair of the Water for Lockyer and Somerset project and is a board member of the Southwest Hospital and Health Service and a Council member of the University of the Sunshine Coast. He also serves as an independent director on several First Nations boards and is currently a director of the PKKP Aboriginal Corporation in the Pilbara.

Mr. Lucas is a practising solicitor and qualified urban planner, advising boards and executives on complex governance, policy and stakeholder matters across the public and private sectors. He has also delivered governance and policy training internationally on behalf of the Australian Department of Foreign Affairs and Trade.

Mr. Lucas previously served as Deputy Premier of Queensland for four years and as a Minister for 11 years, with portfolios including Infrastructure and Planning, Transport and Main Roads, Local Government and Health. During this time, he was involved in major infrastructure projects across South-East Queensland, including the expansion of the Gladstone State Development Area to support LNG export developments.

Dr. Jennifer Purdie – Independent Non-Executive Director

Dr. Jennifer Purdie has held senior executive roles across engineering, technology, strategy and operations within global mining and infrastructure companies. Her most recent full-time role was as Asset President at BHP, where she led the Olympic Dam copper, gold, silver and uranium operation in South Australia.

Her executive experience also includes roles as Executive General Manager Gas Distribution at Jemena, CEO of Adani Renewables Australia, Executive Vice President – Enterprise Services at Aurizon, and Global Practice Leader within Rio Tinto's Technology and Innovation function. She also serves as a non-executive director of ASX-listed Neometals.

Jenny holds a PhD and Bachelor of Engineering (Chemical and Materials, Honours) from the University of Auckland and an Executive MBA from the University of Queensland. She is a Fellow of the Institution of Chemical Engineers, a Graduate of

the Australian Institute of Company Directors, and a member of Chief Executive Women.

Executive Management Team

Simon Wensley – Managing Director & Chief Executive Officer

See board of directors section.

Nathan Quinlin – Chief Financial Officer

Mr Quinlan has been instrumental in the commercial transformation of Metro Mining and brings 15 years' experience across financial reporting, capital projects and cost optimisation.

Prior to joining Metro in 2021, he spent four years with Glencore as Finance and Commercial Manager at the CSA Mine, where he led a large team across finance, risk management, life-of-mine planning, procurement, IT and contractor relationships.

Mr Quinlan began his career with Ernst & Young, working with tier-one ASX and NYSE-listed resources clients, and holds a Bachelor of Commerce with majors in Finance and Accounting.

Rudi Cohrssen – General Counsel & Company Secretary

Mr Cohrssen takes over as Metro's new General Counsel and Company Secretary as of 1 July 2026, following the resignation of Ms Robin Bates. Ms Bates was Metro's General Counsel and Company Secretary for the last three and half years and will stay until 31 July 2026 to ensure a smooth handover.

Mr Cohrssen is qualified as lawyer in Australia, South Africa and Namibia and joins us from his current role as barrister at the Victorian Bar, Melbourne, where he has practiced across corporate and commercial law, arbitration, employment law, environmental law and natural resources law and represented clients in State / Federal Courts and in various tribunals. Rudi has worked with and advised global resource companies on strategy, risk, commercial and corporate law, cross border arbitration and business development.

Mr Cohrssen previously worked as an academic and taught various legal subjects at the Chinese University of Hong Kong. He is a Fellow of the Chartered Institute of Arbitrators and is a Graduate of the Australian Institute of Company Directors.

Paul Green – Executive General Manager Operations

Mr Green is a seasoned mining executive with over 30 years' experience across surface and underground operations, contracting businesses and major project delivery. His career includes senior roles with Rio Tinto, BHP, Glencore, Idemitsu and Anglo American, as well as CEO and Managing Director positions at ASX-listed Metarock, where he led restarts, operational turnarounds and expansion initiatives in coal operations. He has delivered improvements in safety, productivity and cost performance across multiple operations, and brings strengths in operational leadership, project execution and business transformation.

Mr Green holds a Bachelor of Mining Engineering (Hons), an MBA and a range of professional certifications including GAICD.

Vincenzo De Falco – General Manager Marine Services, Projects & Improvement Role

Mr De Falco is heading the Marine Team including the Floating Crane Terminal (Ikamba) and marine activities at our Bauxite Hills Operations. Vincenzo has over 15 years of global experience in the Shipping and Maritime Industry. He has an established network and experience in South East Asia, where he worked for the last 10 years, latest with IMC Shipping Group.

In previous roles at Louis Dreyfus Armateurs, he was involved with high value projects and investments that contributed to the success of their Shipping and Logistics Asia operations as well as contributing to portfolios worldwide.

With a background in Business and Economics grounded by Corporate Finance and Financial Markets degrees, Mr De Falco has worked across Finance and Business Development with Coeclerici before joining Louis Dreyfus Armateurs.

Matthew Graham – General Manager Technical Services, Projects & Improvements

With over 20 years of experience in mine planning, technical services, and business improvement, Mr Graham has delivered significant value across diverse mining operations globally.

As a qualified mining engineer (RPEQ), he has led transformative projects, from implementing best practice mine planning systems to advancing cutting-edge mining technologies. His commercial expertise spans financial analysis, strategic planning, and executive engagement, ensuring informed decision-making on high-impact initiatives. A dedicated mentor and leader, he has played a key role in developing talent and fostering high-performance cultures.

Troy McMillan –General Manager People and Culture

Mr McMillan joined Metro Mining in August 2025 as General Manager for People and Culture. With over 25 years of leadership experience in human resources, specialising in transforming workplace cultures, driving strategic HR initiatives, and ensuring a relentless focus on safety. Mr McMillan's career spans complex, high-risk industries, including mining, manufacturing, and explosives technology, where he has partnered with senior leaders to deliver results.

Mr McMillan has successfully led large-scale HR functions across diverse sectors, including coal mining, alumina refining, aluminium smelting, bauxite mining, copper projects, and the manufacture of explosives and mining services. His experience is both local and international, having managed teams and initiatives in Newcastle, Wollongong, Clermont (central QLD), Lima (Peru), and Brisbane, where he has been based for the past 12 years.

Normal Ting –General Manager Marketing & Sales

Mr Ting has been in a senior role with 35+ years' experience in the metals and minerals industry including sales and marketing role for Comalco bauxite and alumina (RTA) based in Brisbane and later in Beijing China.

Ex MD of Wogen Pacific, Mr Ting led a team of trading and investment in a range of metals and minerals. Ex head of Ausenco China, he led a team of engineers in China to do EPCM and procurement for mining projects across the world. As Chairman of Traxys Far East Limited he led a trading and investment team for trading and off take

agreements in ferrous and non-ferrous metals, concentrates and strategic metals and Industrial minerals based in Asia.

Academically, Mr Ting is an Honours Graduate of Imperial College University of London and holds a EMBA from CEIBS China Europe International Business School.

Appendix 2: Company History and Development Path

Formation and Strategic Pivot

Metro was incorporated in 2006 as MetroCoal Limited and listed on the ASX in December 2009. In 2014, the company acquired Cape Alumina's assets in Queensland's Cape York region and pivoted away from coal, rebranding as Metro Mining Limited and focusing exclusively on bauxite.

Formation and Tenements

The company's cornerstone asset is the Bauxite Hills Project, located approximately 95km north of Weipa, adjacent to the Skardon River.

The tenement package had been progressively assembled through exploration licence applications and farm-in arrangements over the late 2000s and early 2010s, targeting shallow, lateritic bauxite mineralisation analogous to the broader Weipa bauxite province. The geology is characterised by lateritic profiles developed over Cretaceous sediments, enabling free-dig mining.

Studies and Project Development

Key milestones included:

Year	Milestone
2013–2015	Exploration drilling and resource definition
2016	Definitive Feasibility Study completed
2017	Grant of mining lease and key environmental approvals
2017–2018	Port construction and mine development
2018	First production and initial shipments

The DFS in 2016 confirmed a simple open-pit mining operation with minimal processing and direct shipping via a purpose-built river port, materially reducing upfront capital intensity relative to greenfield bulk projects.

Funding and Capital Structure

Development funding was sourced through a combination of:

- Equity raisings (institutional and retail)
- Strategic cornerstone investors
- Equipment finance and working capital facilities

Subsequent expansion and optimisation capital has been internally funded where possible, supported by operating cash flow.

First production in 2018 and ramp-up

Following first production in 2018, Metro progressively ramped up mining and shipping volumes as operating practices, logistics and customer relationships matured. Early years were focused on stabilising mine operations, refining the mine-to-port haulage system and improving transshipping reliability.

2019–2020: Early Ramp-Up and COVID-19 Impact

By early 2020, Bauxite Hills was delivering record mining and shipping rates and had materially reduced unit operating costs. However, the global COVID-19 pandemic had a significant negative impact on aluminium and bauxite markets. Reduced demand, pricing weakness and travel restrictions impaired Metro's ability to finalise offtake contracts, resulting in an early wet-season shutdown from mid-September 2020. Production and shipments were curtailed through late 2020 and into early 2021 as the company preserved cash and adjusted operations to protect balance sheet strength.

2021–2022: Recovery and Logistics Improvement

As market conditions stabilised, Metro recommenced operations in 2021, delivering a recovery in shipped volumes despite ongoing weather disruptions and COVID-related workforce interruptions. The commissioning of improved transshipping equipment, including floating crane capability, materially enhanced shipping reliability and allowed Metro to operate deeper into the season when required to meet customer commitments.

2023–2024: Expansion to Capesize-Compatible Throughput

In 2023, Metro approved and executed a major expansion program targeting production and shipping capacity of approximately 7.0 million wet metric tonnes per annum. This expansion included significant investment in mobile mining equipment, fixed plant upgrades, a new wobbler screening circuit and the commissioning of the offshore floating terminal *Ikamba*. These upgrades enabled consistent loading of large Capesize vessels and materially improved economies of scale. By late=2024, the operation had demonstrated sustained run-rates consistent with expanded capacity.

2025: Shipping Channel Disruption and Remediation

During 2025, severe weather events temporarily disrupted the Skardon River shipping channel, resulting in draft restrictions and reduced barge loading capacity for several weeks. This interruption constrained shipment volumes despite strong mine performance. Management responded with a comprehensive bed-levelling and channel remediation program, restoring channel capacity and normal tidal windows. The episode highlighted the inherent weather-exposed nature of the logistics chain but also demonstrated Metro's ability to respond rapidly and recover throughput.

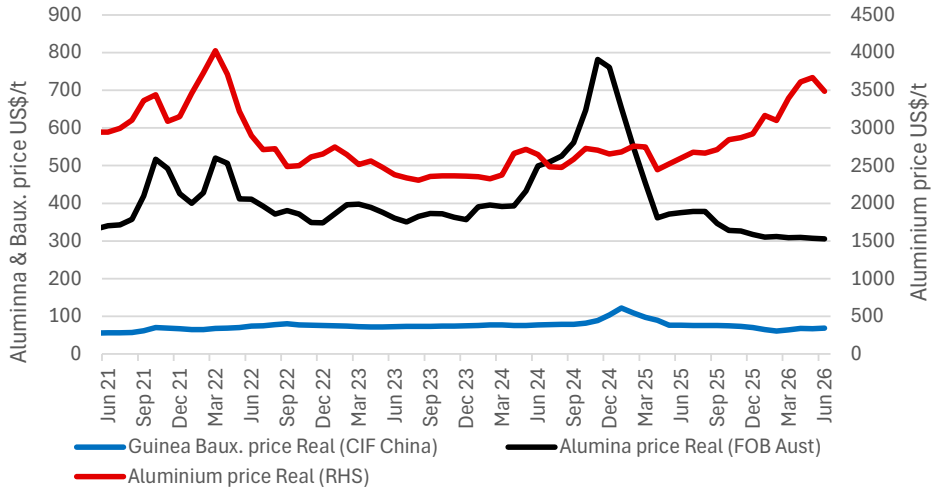
Appendix 3: Bauxite overview and forecast

Bauxite – critical feedstock to aluminium but prices not correlated

Bauxite is the primary feedstock for aluminium production via an intermediary refined product, alumina. The industries are tightly related, with only minor other demand for intermediates (chemical alumina), however, the prices of the products are not well correlated. Each commodity responds to its own supply and demand fundamentals. This is evident in DecH 2025-26. The aluminium price climbed 40%, accelerating in 2026 due to the Gulf conflict which throttled major Gulf aluminium producers and put some out of action for years (Figure 13). At the same time Australian FOB third party alumina prices sagged because the Gulf smelters were major customers that were cut off from supply. Guinea bauxite prices also sagged, not because of third party alumina as they play no part in this supply, but due to over-supply into the Chinese market.

This overview of the supply chain shows that in discussing the third party traded bauxite market, we can isolate our considerations to this market alone without consideration of the overall aluminium supply chain. Third party alumina producers such as Alcoa in Australia, do not use third party bauxite as they have vertically integrated mines.

Figure 42: Real terms prices for aluminium, alumina & bauxite



Sources: Bloomberg, Ord Minnett estimates

Guinea is the world's major third-party bauxite producer

Most bauxite is a residual laterite formed by intense chemical weathering of rocks removing most elements other than immobile aluminium oxide. The key bauxite minerals are aluminium hydroxides, gibbsite (trihydrate), boehmite, and diaspore (both monohydrate). The relative desirability of the minerals generally lies in that order with gibbsite being amenable to low temperature digestion, whereas the required temperature rises through boehmite to diaspore. Diasporic bauxite is hard, essentially rock, whereas lateritic bauxite formed of the other two minerals are soft and rippable by bulldozer blade. Guinea is dominated by gibbsite whereas Weipa and Bauxite Hills are dominated by boehmite.

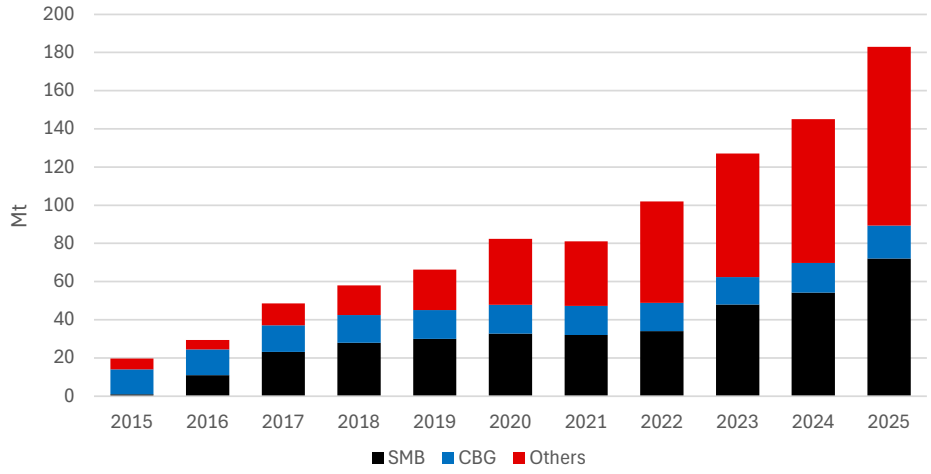
While Australia is a long-standing exporter of bauxite to third parties, predominately from Weipa and Gove, it has been completely dwarfed in recent years by Guinea.

Guinea also has long-standing history of bauxite exports to Europe, via the CBG mine, which started in 1973. However, that venerable operation of 14-17Mtpa has been overshadowed as Guinea's exports from other parties surged, especially after 2021, reaching 183Mt in 2025, according to Reuters, up 25% YoY from 145Mt in 2024 (Figure 43). 150Mt (82%) of Guinea's total in 2025 made it to China according to China customs (at the end of the year some was likely still in transit given 40 days voyage).

China is the export destination

China is the major importer of third-party bauxite. It has this requirement due to its mammoth aluminium smelter fleet, which is serviced by an even larger alumina refining sector. China's bauxite resources in contrast, are menial and low quality, dominated by diaspore with high silica contents. Much of its bauxite would probably not be characterized as a resource in most countries, but by using novel means, Chinese metallurgists have managed to treat it effectively. However, with ongoing growth of China's smelting sector, new alumina refineries were erected in coastal locations where bauxite imports could be readily accessed. The sources of the imports have shifted around, as markets opened and closed due to local regulations, first Indonesia, then Malaysia and finally settling on Guinea.

Figure 43: Guinea exports of bauxite



Sources: Reuters, company data, Ord Minnett estimates

Guinean bauxite

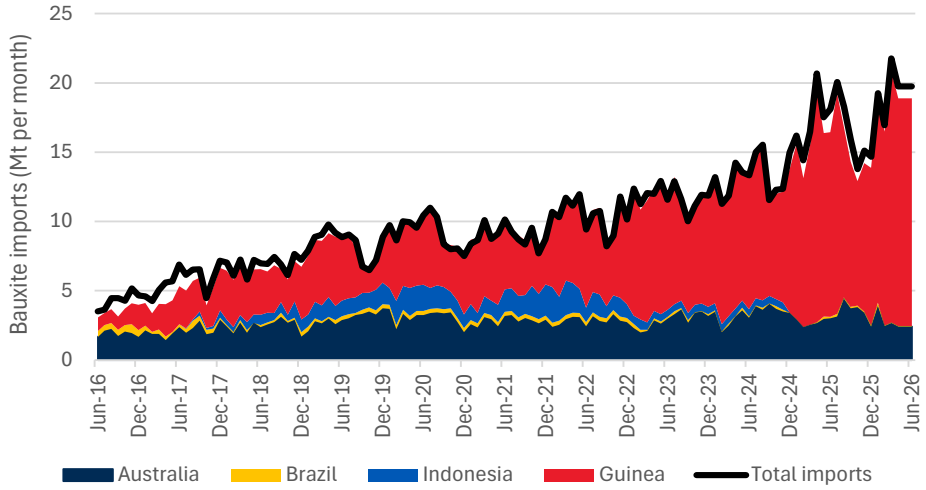
Guinea is attractive from China's perspective. It is an undeveloped, nation under authoritarian rule holding the world's largest bauxite resources, estimated at 7.5Bt by the USGS and 40Bt by the Guinean government embassy website. The product quality is high – gibbsite with low reactive silica (~2%) suitable for low temperature digestion (140-150°C). The grade is typically 45% alumina, quite strong for gibbsite (trihydrate). Guinea's bauxite production growth has been led by Chinese-invested operations seeking to secure feedstock supply for its aluminium smelters.

On the downside, Guinea is ~11,300 nautical miles from China. It is about 45 days voyage by sea and has shallow coastal waters unsuitable for large vessels. However, by loading large capesize bulk carriers at offshore anchorages with specialized loading vessels, the transport cost is manageable.

To gain access to the raw material, Chinese companies can offer infrastructure construction, foreign export revenue and jobs. The companies can expect only

modest pushback from local interests, in contrast to developed countries, with long permitting delays and challenges from proponents on non-development. The result has been the export surge shown in China's customs statistics (Figure 44).

Figure 44: China's imports of bauxite



Sources: Bloomberg (China customs), Ord Minnett

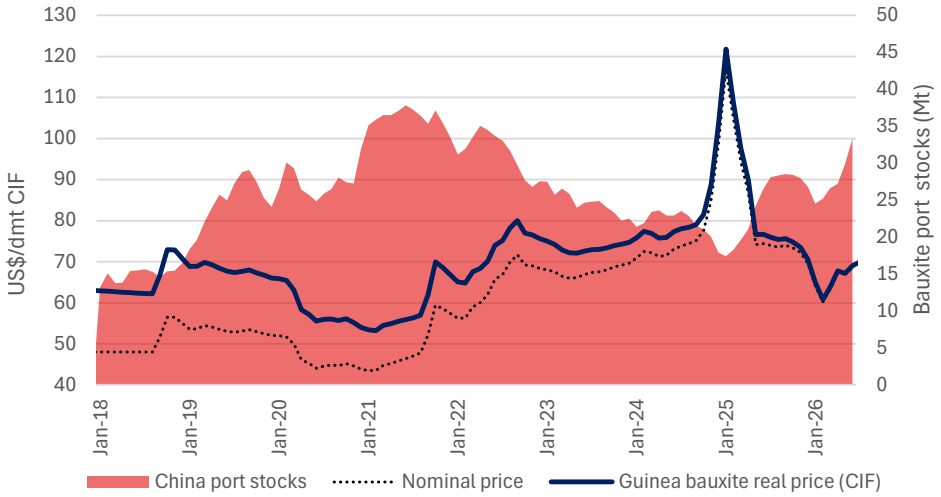
How China uses the bauxite

China is the world's largest aluminium producer with an official production cap of 45Mtpa about two thirds of the global total. It was butting against that cap in 2025 with output of 44.2Mt according to the International Aluminium Institute (IAI) and may exceed it this year. That cap would consume 88Mt of smelter grade alumina feed, and 215Mt of bauxite. There is further demand for bauxite for chemical alumina. In 2025, China's alumina output was 93Mt with 88Mt being smelter feed, and the balance for chemical uses according to IAI. Overall demand for bauxite should have been close to 225Mt. Last year China imported 201Mt of bauxite, up 26% YoY. The remainder is provided by domestic sources, as some Chinese mines continue. China's primary aluminium units were dominantly 89% supplied by imported bauxite, of which three quarters came from Guinea.

Chinese aluminium producers love a low bauxite price...

China aluminium producers benefit by having abundant bauxite because a glut drives down the prices and their feedstock costs. The export surge of 2025 continued in the first quarter of 2026, lifting another 25% QoQ by March to 61Mt. China's aluminium firms achieved a glut, and the price of Guinean bauxite gave way in Feb 2026 to US$60/t CIF for 45% supply, versus US$105/t in Feb 2025 (Figure 45). Mission accomplished via successive 25% YoY increases in exports.

Figure 45: Guinea bauxite prices in China, and bauxite port stocks



Sources: Bloomberg, Ord Minnett estimates

...but not so the Guinea Government

However, the Guinean Government was less than happy. The aluminium producers in China should be making significant profits given an elevated price, but the mines in Guinea were struggling with a sagging price, worsened as freight rates climbed this year due to the Gulf conflict. The Governments share of income from its ownership and ownership share of mines, together with taxes and royalties are falling away even as exports boom. Some smaller outfits look set to close and lay-off employees if the situation continues. The Guinean Government would prefer a price of US$100/t according to Fastmarkets.

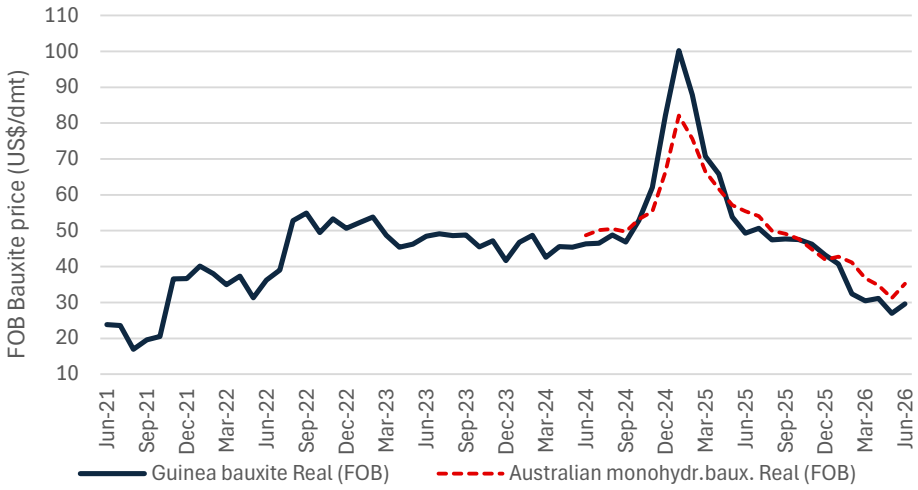
Guinea applies wide range of levies to mines. It charges a royalty of 3% to gross FOB sales value, and typically a corporate income tax of 30%. There is also a 1-3% export tax applied to the implicit value of the exports, intended to nudge exporters into onshore processing, and local development tax of 0-1%. The value of the FOB price clearly matters to Guinea.

FOB prices of bauxite

Freight rates are a major impost on Guinean bauxite exports, especially this year. The Guinea-China capesize rate in Apr-June has been around US$36-40/t compared to US$17-$20/t from Gladstone in North Queensland. Deducting these freight rates from the benchmark prices for Guinea bauxite and Weipa (monohydrate), suggests the FOB prices are typically comparable, although Weipa FOB prices are a few dollars higher at present while Guinea freight rates remain excessive.

Figure 46 also clearly illustrates why Guinean authorities are unhappy with the current bauxite pricing regime. From mid-2022 to end-2025, Guinean bauxite was enjoying an FOB price of ~$50/t which Guinea could tax, with one excursion much higher. In 2026, the FOB price has collapsed to US$30/t. Some is an unavoidable freight impost form the Gulf conflict, but a lot is just overproduction, collapsing prices and lifting vessel demand.

Figure 46: FOB prices of bauxite from Weipa & Guinea



Sources: Bloomberg, Ord Minnett estimates

Guinea Government response

The Guinean Government has responded in a measured manner. Rather than forcing export bans, and risking lawsuits, it is examining compliance with existing commitments. Guinea sought the miner's three-year production plans and in March 2026, was intending to compare these against the original feasibility studies and mining permits. This plan looked to be a reset towards what was promised rather than the massive export oversupply that was delivered. Fastmarkets suggested that enforcement might see exports drop back to about 150Mtpa. Mines that were operating well ahead of permitted levels might be forced to scale back. That news alone lifted the Guinean price which had climbed to US$69/dmt in June, from US$60/dmt in Feb.

The Guinean Mines and Geology Minister said in a late-May interview with Bloomberg News that the policy was going into effect in June. The signalling has occurred, however, by the end of June, announcement of a plan to be implemented was still awaited.

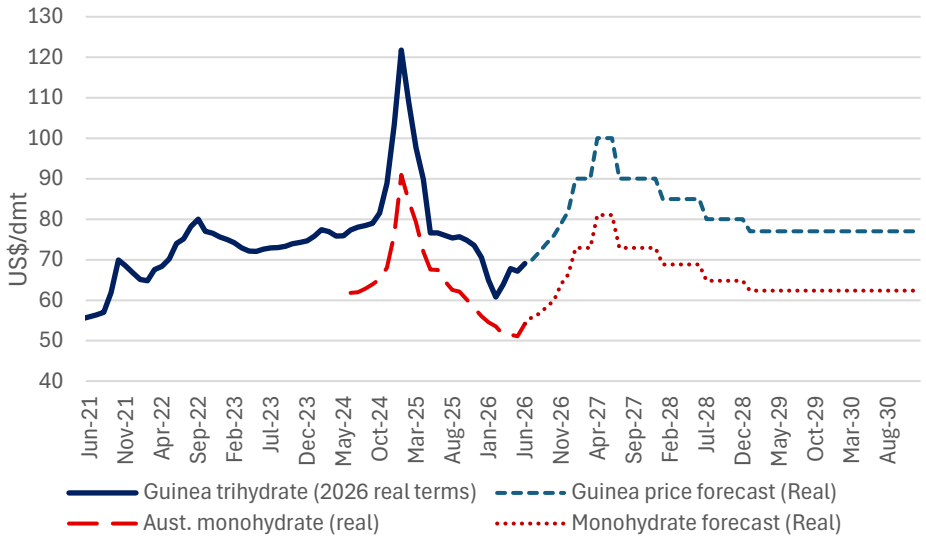
If Guinea intends to implement a 150Mtpa bauxite export cap as Fastmarkets has suggested, that would be 33Mt below exports of 2025. It would be even more extreme because exports have risen further in 2026. Analysts at CRU expected a 33Mtpa reduction would achieve a price of US$100/dmt. Guinea controls ~70% of globally traded bauxite so it has greater market influence on bauxite than OPEC does for oil.

China customs reported bauxite imports from Guinea in May were a new record high level of 23Mt, a solid beat of the previous high in March of 21.8Mt. The shipments arriving in May s left Guinea 40-45 days earlier and was previous production. SMM reported that on 22 May the average daily volume of bauxite shipments from Guinea main ports fell to 559kt/day down 22% MoM. If sustained this will pull over 4Mt/month out of Guinea exports compared to MarQ-26 shipments. However, 559kt/day equates to 204Mt/year, showing how much further Chinese output has accelerated already in 2026. A greater slowdown would be needed if 150Mtpa is realistically targeted by Guinea.

We expect Guinea will slow exports

A glut of production with large segments of the industry losing money is not a sustainable industry structure. We expect Guinea will be keen to not have the bauxite price collapse, taking companies and bank loans with it. However, on the other side, we also doubt a price of US$100/dmt can be sustained. While we believe Guinea has sufficient market power to achieve that price, it would stimulate exports from other nations that are currently not focused on the third-party market, especially Australia and Brazil. We expect any reduction of exports by Guinea may initially cause instability with the price overshooting. But ultimately the market will rebalance, and the price should settle at a healthy and sustainable level. We believe that price is US$77/dmt based on the real terms price that was achieved from mid-2022-mid-2025 (Figure 47).

Figure 47: Guinea bauxite and Weipa bauxite Real price & Ords forecasts



Sources: Bloomberg, Ord Minnett estimates

Who might be forced to reduce output?

This is highly speculative as we are not aware of exactly what the approved export limits for the Guinean mines were.

- Given SMB-Winning ramped output up to 72Mt in 2024, or 40% of Guinea's total, it naturally attracts suspicion that it has been over producing. However that may not be the case. We understand the approved export limit may have been 50-55Mtpa for the original mine but perhaps it was granted another 30Mtpa when the railway was licenced for the Santou region. The baseline could be 55Mt or 80Mtpa.
- We believe Chalco (COBAD) and SPIC expanded pits to obtain cheap feed for their Chinese refineries, but may be penalized for failing to meet Guinea's timelines for establishing refineries:
    - Chalco (COBAD) may have to cut volume of 4-5Mt that it was running along CBG's rail line.
    - SPIC may face a cut of 2-3Mt due to delays in funding for its promised alumina refinery.

- Truck to port operations that have made no investment towards rail, ports, roads or refining may also face cuts. These miners may face cuts of a collective 9-10Mt. This would make some operations sub-scale and unviable.

Together these cuts would deliver 33Mt over 2025 levels, but these may be excessively harsh. They are simply what a targeted, but hardline reducing of exports might look like.

Figure 48: Scenario of how 33Mtpa export cut might be achieved

	Peak volume	Enforced Quota	Reduction	Catalyst
	Mt	Mt	Mt	
SMB	71	55	16	Overproduction
Chalco/COBAD	17	12	5	Excess CFB rail usage
SPIC	11	8	3	Delayed local refinery
Small Truck to port	14	5	9	Infrastructure non-compliance
	113	**80**	**33**	

Sources: Ord Minnett estimates

Timeline to higher bauxite prices

It may take 3-4 months for the tightening supplies to see a price response in bauxite. The physical market is insulated by record stockpiles and the supply surge that Guinea producers embarked on before the Guinea cut have taken effect. Assuming Guinea takes concrete action on cuts in July, the effect should be felt in China by the end of the year.

- SMM is reporting that Chinese alumina refineries are sitting at over 3 months supplies of Bauxite on average, the highest in years. They are refusing to chase high priced offers.
- Port stocks of 32Mt provide another comfortable buffer.

In July supplies already on the water will continue to arrive so prices are unlikely to respond. In late July, the 22% drop in Guinea departures seen in late May should begin to be experienced in China arrivals. Port stocks and refinery inventories should ease, and the retreat continue in August.

By DecQ, thinner seaborne supply should have seen inventories ease, and the price begin to respond. As refinery inventories head towards their 40-day supply floor, they will have to begin buying and cannot ignore offer prices. By MarQ 2027 we expect strong US$90/t prices which push to US$100/t in JunQ27. We then expect the market to restabilise, easing prices as other incremental supply sources appear.

Impact on China

Chinese producers are dealing with the risk of reduced Guinean imports in several ways. The first was to front-load imports of bauxite, hence the surge of imports in May to 23Mt. Another strategy is pivoting to long-term supply deals with Australian producers such as Rio Tinto and Metro.

However, the Guinean bauxite deluge has been absorbed by a massive fleet of coastal refineries in China, the first of these refineries were built for Indonesian imports using low temperature digestion and need Trihydrate. They cannot use Metro or Weipa's monohydrate ore which is digested at higher temperatures. They may need to scour the world for additional gibbsite or implement costly upgrades for higher temperature processing. They may also migrate to Indonesia and build new refineries in that jurisdiction. With stronger prices, more bauxite would inevitably appear. Producers such as Alcoa may increase bauxite exports from WA, and a new seaborne

producer from Brazil – Alurion Resources – is expected to be spun out of Brazilian Rare Earths in July. This developer may be looking to begin exports by 2029 of a Guinean look-alike ore.

We understand the second generation of coastal refineries have greater temperature control and may be able to use monohydrate. There may be advantages for these to digest Guinean ore at higher temperatures as of the standard 45% alumina grade, about 41% is gibbsite and the remaining 4% points held as monohydrate of goethite. The alumina in these minerals would be accessible with higher temperatures, gaining higher utilization of scarce ore. A mix of Guinean and Metro or Weipa ore could be desirable.

Appendix 4: Guinea Overview

The world's major seaborne bauxite producer

- Guinea has deep lateritic weathering that has developed widespread residual bauxite plateau. It has the world's largest bauxite resources, estimated at perhaps 7.5Bt to 40Bt (USGS & Guinean Government est.) and one third of the world's reserves. The product quality is high – it is gibbsite with low reactive silicas (~2%), making it suitable for low temperature digestion (140-150°C). The grade is typically 45% alumina.
- Bauxite mining has proliferated in Guinea. Major producers such as SMB Guinea, CBG and Chalco and GAC have dedicated bauxite railroads and operate 50-125km inland. The main export ports for bauxite are Kamsar, Boke Port and Conakry. There are three major railroads:
    - SMB - 135km rail from mines at Santou & Houda to Dapilon river port suitable for +30Mtpa
    - CBG and GAC (ex-Emirates): 135km from Sangaredi mine & GAC to Kamsar port 45Mtpa capacity
    - Rusal (SBK & CBK): 105km rail from Kindia to Conakry harbour

Figure 49: Guinea's mineral deposits – bauxite and iron ore

Sources: Jinan Truckman Automobile Co blog: Mine transportation solutions in Guinea: selection guide for dump trucks, Tractors and dump semi-trailers

- Smaller operations closer to the coast tend to use road trucks, typically hauling to Boke Port, or to a river port less than 50km from the mine such as Rio Nunex or Fatala River, then barging down-river and trans-shipping to capsize vessels offshore.
- The smaller tuck operations account for 15-20% of Guinea's bauxite exports, or 30-35Mt in 2025. These operations have the highest site costs.

With access to enormous resources, China companies operating in Guinea have followed corporate China's standard playbook of massive growth and

overproduction, driving all operations to nil profit. Chinese companies as a group seem unable to exert production self-discipline. At home, the Government has had to reign in overproduction of coal, steel and aluminium. Overseas, it is harder to reign in production such as seen for the nickel industry, when China began building smelting facilities in Indonesia. The nickel price gave way as the giant NPI-based nickel and stainless hubs in Indonesia expanded relentlessly. Now the same seems to be underway for bauxite as Chinese firms expanded into Guinea.

Guinea Bauxite Index

One peculiarity of Guinean production which can make exporting more expensive is the government's Guinea Bauxite Index (GBX) and GUITRAM (Guinéenne des Transports Maritimes). These shipping regulations are intended to move Guinea away from being a passive price-taker and secure a larger share of maritime revenues. These policies directly squeeze the thin margins of transshipment operations.

The GBX acts as an official national benchmark price designed to stop international mining companies from using transfer-pricing schemes to avoid paying local taxes.

Royalties and export taxes are calculated against the official GBX market price rather than any lower, internally negotiated contract prices used by vertically integrated miners. This fixed tax adds a rigid, non-negotiable cash cost to every exported tonne.

GUITRAM Regulations

The government has also mandated that at least 50% of all bauxite exports must be carried by vessels flying the Guinean flag or managed via the state-owned GUITRAM entity. However, Guinea lacks a large domestic merchant fleet, so implementing this rule requires GUITRAM to implement JV's, charter-backed agreements and flag of convenience partnerships.

International dry-bulk operators can no longer freely optimize their routes by booking the cheapest global capesize vessels on the spot market. This forces half of the country's massive bulk trade into a state-regulated shipping channel creating friction, driving up freight costs, and increasing the financial burden on miners who rely on offshore transhipment.

SMB - Winning

The most egregious offender in the Guinea bauxite oversupply appears to be Societe Miniere de Boke (SMB). This operation started in 2015 with inaugural shipments of 1Mt and expanded aggressively to export a staggering 72Mt or 40% of the total Guinea exports last year (Figure 50). In 2017 it overtook the decades-old CMG to become the largest producer.

By 2018-2020 it was causing civil unrest as thousands of trucks churned up the dirt roads between the mine sites and Katougouma River port. Having reached truck-borne production limits, it built a US$1.2bn rail line from the mines to a new Dapilon River port. With 100 car trains and automated unloading, this unshackled production and output surged again assisting in the oversupply that collapsed bauxite prices.

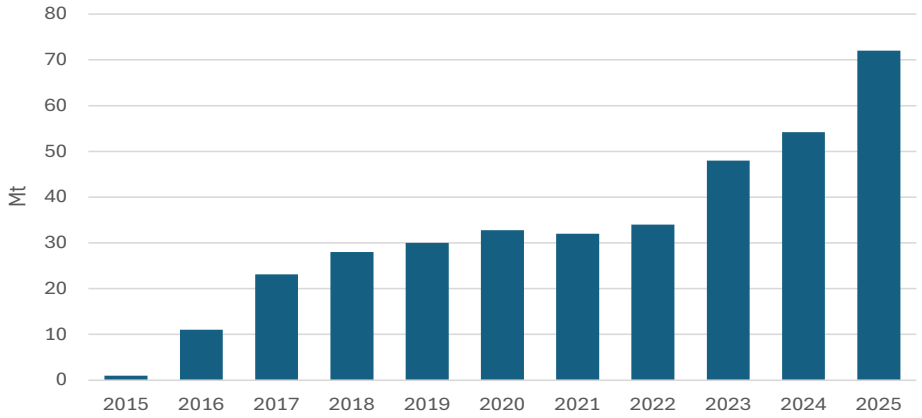
Who is behind SMB?

SMB is a consortium.

- Chinese aluminium giant Hongqiao has a 56% share (40Mt in 2025) using the bauxite to feed its Shandong refineries. Because it is fully integrated, it is mostly focussed on the aluminium price, so low costs up the supply chain are beneficial.

- Singapore's Winning International has a 24% share (17Mt). It is a shipping specialist and uses the bauxite to feed its self-owned VLOC fleet and with its expertise, eliminate demurrage to maximise shipping efficiencies. This keeps its freight costs well below third party rates (~$20 vs ~$30).
- UMS undertakes the mining and has a 10% share (7Mt); and
- The Government of Guinea has a free carried 10% share (7Mt).

Figure 50: SMB bauxite production growth



Sources: Asian Metals, SMB, Africa Intelligence, Ord Minnett

The 72Mt output in 2025 was exported through two distinct river port complexes: Dapilon via the Santou railway shipped 45Mt, and Katougouma River Port shipped 27Mt fed by road networks. The Katougouma River Port is SMB's original port asset and is also used by junior miners such as AGB2A which continued to add to the tonnage.

Transshipping by SMB is more expensive than CBG. It uses a great fleet or barges and tugs that need to negotiate 50-70km of winding river curves before reaching the ocean. This adds to turnaround time and boosts fuel costs compared to CBG's panamax transhippers with a straight run from the port to transhipment points.

In some respects, SMB is a super-sized version of MMI's Bauxite Hills operation. Like Metro, it transports bauxite to river ports where it is loaded onto barges (fleet of 30-40 bearing loads of 8-12kt each). These are towed offshore (probably 20nm like other operations) with tugs to offshore floating transshipment stations (FTS). These are like MMI's Ikamba, but with a somewhat higher load rate, capable of loading 45kt-55kt per day (MMI bought ALM Tinka out of Kamsar in Guinea, towed it to QLD and renamed it Ikamba). SMB has multiple FTS and can load 150-200kt/day. A 200,000dwt capsize vessel can be loaded in 4-5 days.

The GUITRAM regulation has not impacted SBM's shipping advantage from using Winning's self-owned Very Large Ore Carriers (VLOCs). Half the fleet remains free market, and to comply with GUITRAM, the other half has entered multi-year JVs with the State and have been re-flagged to Guinea or chartered by GUITRAM. SMB-Winning must pay compliance tolls, booking commissions, or state-charter premiums on the mandated 50% volume. This adds to its FOB operating costs.

Figure 51: SMB bauxite operations

Sources: SMB

CBG

CBG is a venerable operation that built the infrastructure post 1963 and started mining in 1973. The Guinea Government owns 49%, while Alcoa and Rio Tinto each hold 23% through the operating entity called HALCO.

CBG has its own 135km *Chemin de Fer de Boké* railway line extending from the mines of Sangaredi and Boke to the port of Kamsar. The railway is fully depreciated, providing low costs. As well as CBG ore, the railway also hauls ore for State-owned Nimba (formerly GAC) on a toll basis. It rails 10,000 tonne loads to the port of Kamsar. CBG operates a hybrid shipping strategy. The port has draft restrictions and the main CBG jetty can accommodate Panamax and Supramax sized vessels which are direct loaded. To achieve economies of scale CBG has customised these vessels with cranes and conveyors to turn them into transhipment shuttle vessels. They carry ore 20nm (37km) offshore to deep ocean anchorages and load Capesize and Newcastlemax vessels.

SBK Line

The third bauxite railway in Guinea is the Conakry-Kindia railway of SBK – a subsidiary of Rusal. It is a narrow-gauge 105km line from Kindia to the Conakry harbour. It is exclusively used by SBK.

Trucking operations in Guinea

Small or newer bauxite mines that lack access to their own or multiuser rails use trucking to coastal river ports. These are 30-40t tipper trucks or double trailer semis which operate 24h/day. The ore is dumped into stockpiles and loaded onto barges with font end loaders. The barges travel to offshore transhipment hubs. It requires 250 truckloads to match one of CBG's rail loads. The fuel and equipment degradation,

running on unpaved, heavily rutted roads is costly. During the wet season (July-Oct), transit slows and trucking costs spike.

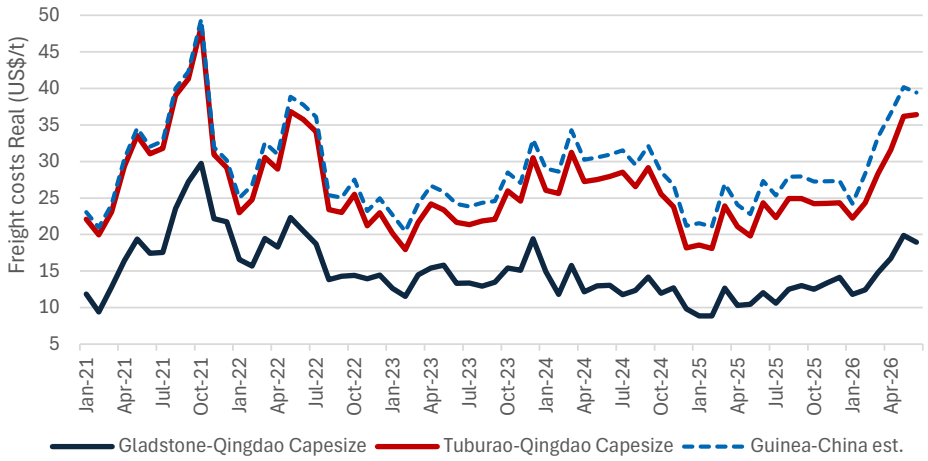
Transshipping costs also surge during the wet season as wet ore becomes sticky and cohesive, jamming transfer chutes, and the conveyor buckets of river barges and floating transhipment cranes. Loading rates collapse, dropping from a dry-season pace of 40,000 tonnes a day to a sluggish 10,000 tonnes a day.

Large ocean-going vessels sitting at deep-water anchorages charge demurrage fees of USD $20,000 to $40,000 per day when they exceed their permitted loading window (*laytime*). Because trucking miners cannot refill their coastal river stockpiles quickly enough during storms, ships sit empty for weeks. This exposure has triggered multi-million-dollar demurrage losses for smaller and mid-tier regional operators.

Shipping from Guinea to China

The average real terms freight rate from Guinea to China since 2021 has been US$29/t. From March 2026, freight rates climbed on the Gulf conflict to US$35-$40/t, where it remained in late-June. The elevated prices were driven by higher bunker and fuel costs, and strong vessel demand in Guinea for surging bauxite exports and iron ore.

Figure 52: Capesize freight rates (Real): QLD, Brazil & Guinea to China



Sources: Bloomberg, Ord Minnett estimates

The Guinea-China route tends to be US$3-$8/t higher than Brazil to China despite an almost equal distance (~11,300 nautical miles km versus~11,700 nm from Salvador Brazil), as it is off the major trading hubs; offshore loading is slower and waiting times longer, while the GUITRAM regulations interfere with smooth freight contracting.

Comparative margins for MMI and Guinean mines

We have estimated the costs of some groups of Guinea operations and included Metro Mining (MMI) as a comparison. We have undertaken this for a perceived normalized regime of LT bauxite price and freight, and the situation prevailing at the end of June 2026. These estimates exclude the Government royalties, corporate taxes export taxes and development levies charged to the operations.

Current situation: MMI contracted its freight at US$10/t and hedged 80% of the bunker fuel price at the start of the year, so we expect its average freight rate is about US$12/t. Prevailing capesize freight rates Guinea to China remain about US$39/t,

although SMB would likely get cheaper prices through Winning's operations. The massive freight disparity should see MMI producing much stronger margins that any Guinea operation, while trucking operations and less efficient operations using other rail, like state-owned Nimba may be losing cash.

Normalised: at our LT Bauxite price of US$77/dmt for Guinea, we expect the top Guinean operations SMB to have stronger margins than MMI. MMI should remain highly competitive when shipment reach 7Mtpa due to simple mining operations, a short 9km haul to the river port using 240t road trains, and offshore loading using a Guinea-style offshore loading platform (Ikamba), at half the offshore distance 10 nautical miles required for Guinea (20 nautical miles). Against these logistical benefits, it has an Australian mining labour cost base, which is far ahead of Guinea.

Figure 53: Estimated margins of Guinea mines & MMI, current & normal

		Normalised					Current : end-June 2026				
		MMI.ASX	SMB	CBG	NMC	Guinea Truck	MMI.ASX	SMB	CBG	NMC	Guinea Truck
Bauxite price	**US$/dmt**	**61**	**77**	**77**	**77**	**77**	**55**	**70**	**70**	**70**	**70**
Bauxite price 12% moist.	US$/wmt	54	69	69	69	69	49	63	63	63	63
Freight	US$/t	12	25	29	29	29	12	36	39	39	39
Bauxite price	**US$/t FOB**	**42**	**44**	**40**	**40**	**40**	**37**	**27**	**24**	**24**	**24**
Operating costs	**US$/wmt FOB**	**20**	**19**	**20**	**24**	**26**	**26**	**19**	**20**	**24**	**26**
- Mining	US$/wmt FOB	12	7	8	8	7	14	7	8	8	7
- Haulage	US$/wmt FOB	2	7	8	10	12	3	7	8	10	12
- Shiploading	US$/wmt FOB	6	5	4	6	7	9	5	4	6	7
Cash Margin	**US$/wmt FOB**	**22**	**25**	**20**	**16**	**14**	**11**	**8**	**3**	**-1**	**-3**

Sources: Ord Minnett estimates, company data, Bloomberg
Note: excludes royalties and taxes

Metro Mining Limited

Buy

PROFIT & LOSS (A$m)	2024A	2025A	2026E	2027E	2028E
Revenue	307.3	378.4	417.6	617.5	551.2
Operating costs	(235.0)	(258.6)	(311.4)	(325.7)	(313.2)
Operating EBITDA	**54.3**	**95.2**	**78.2**	**263.8**	**210.0**
D&A	(18.0)	(24.5)	(28.0)	(28.0)	(28.0)
Non-operating items	(9.3)	29.5	(17.2)	(17.3)	(17.3)
EBIT	**27.0**	**100.3**	**33.1**	**218.5**	**164.7**
Net interest	3.9	49.0	0.2	(5.4)	(6.3)
Pre-tax profit	**(22.0)**	**114.8**	**28.2**	**217.4**	**168.4**
Net tax (expense) / benefit	-	27.5	(8.4)	(65.2)	(50.5)
Associate NPAT	(22.0)	142.3	19.7	152.2	117.9
Normalised NPAT	**(22.0)**	**60.0**	**19.7**	**152.2**	**117.9**
Reported NPAT	**(22.0)**	**142.3**	**19.7**	**152.2**	**117.9**
Effective tax rate (%)	-	(24.0)	30.0	30.0	30.0
Franking (%)	-	-	-	-	-

CASH FLOW (A$m)	2024A	2025A	2026E	2027E	2028E
Net Interest (paid)/received	(13.0)	(9.3)	-	-	-
Income tax paid	-	-	-	-	-
Other operating items	(15.6)	(15.2)	(22.1)	(63.7)	(64.2)
Operating Cash Flow	**33.5**	**65.8**	**65.2**	**196.7**	**146.2**
Term Deposits	-	-	-	-	-
Other investing items	(20.4)	(12.3)	-	-	-
Investing Cash Flow	**(37.5)**	**(23.1)**	**(12.0)**	**(15.0)**	**(15.0)**
Inc/(Dec) in equity	(2.6)	-	-	-	-
Inc/(Dec) in borrowings	(11.9)	(15.2)	(29.4)	(29.4)	-
Dividends paid	-	-	-	-	-
Shares issue proceeds	53.6	-	-	-	-
Other financing items	(13.7)	(9.2)	-	-	-
Financing Cash Flow	**25.4**	**(24.4)**	**(29.4)**	**(29.4)**	**-**
FX adjustment	(2.2)	8.0	-	-	-
Net Inc/(Dec) in Cash	(6.2)	50.7	53.2	181.7	131.2

BALANCE SHEET (A$m)	2024A	2025A	2026E	2027E	2028E
Cash	31.2	57.5	81.2	233.4	364.7
Receivables	7.3	6.1	8.2	11.3	9.6
Inventory	5.1	7.7	6.4	6.3	6.1
Other current assets	12.8	18.4	18.4	18.4	18.4
PP&E	99.6	149.6	133.6	120.6	107.6
Other non-current assets	43.0	81.9	73.4	53.5	53.5
Total Assets	**243.2**	**361.4**	**361.5**	**483.9**	**600.2**
Short term debt	23.7	45.6	14.7	-	-
Payables	32.1	28.5	38.4	38.0	36.4
Other current liabilities	42.8	25.4	25.4	25.4	25.4
Long term debt	51.5	13.3	14.7	-	-
Other non-current liabilities	26.6	26.5	26.5	26.5	26.5
Total Liabilities	**202.6**	**174.5**	**154.9**	**125.1**	**123.5**
Total Equity	**40.6**	**186.9**	**206.6**	**358.8**	**476.7**
Net debt (cash)	44.0	1.4	(51.8)	(233.4)	(364.7)

DIVISIONS	2024A	2025A	2026E	2027E	2028E

KEY METRICS (%)	2024A	2025A	2026E	2027E	2028E
Revenue growth	30.3	23.1	10.4	47.9	(10.7)
EBITDA growth	80.4	75.4	(17.9)	237.2	(20.4)
EBIT growth	397.0	271.5	(67.0)	560.6	(24.6)
EBITDA margin	17.7	25.2	18.7	42.7	38.1
EBIT margin	8.8	26.5	7.9	35.4	29.9
Return on assets	13.1	41.1	6.4	36.2	21.3
Return on equity	-	52.8	10.0	53.8	28.2

VALUATION RATIOS (x)	2024A	2025A	2026E	2027E	2028E
Price To Free Cash Flow	782.7	7.6	8.5	2.5	3.4

LEVERAGE	2024A	2025A	2026E	2027E	2028E
ND / (ND + Equity) (%)	52.0	0.8	(33.4)	(186.2)	(325.6)
Net Debt / EBITDA (%)	81.0	1.5	(66.2)	(88.5)	(173.6)
EBIT Interest Cover (x)	-	-	-	40.7	26.2
EBITDA Interest Cover (x)	-	-	-	49.2	33.3

SUBSTANTIAL HOLDERS	m	%
Shareholder1	28.0	9.1%
Shareholder2	25.0	8.1%
Shareholder3	15.4	5.0%

VALUATION	
Cost of Equity (%)	12.6
Cost of debt (after tax) (%)	10.7
WACC (%)	**12.6**
Equity NPV ($m)	**708.5**
Equity NPV Per Share ($)	**2.30**

Target Price Method	Forward PE
Target Price ($)	2.50
Valuation disc. / (prem.) to share price (%)	70.1

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Guide to Ord Minnett Recommendations

Our recommendations are based on the total return of a stock – nominal dividend yield plus capital appreciation – and have a 12-month time horizon.

SPECULATIVE BUY	We expect the stock's total return (nominal yield plus capital appreciation) to exceed 20% over 12 months. The investment may have a strong capital appreciation but also has high degree of risk and there is a significant risk of capital loss.
BUY	The stock's total return (nominal dividend yield plus capital appreciation) is expected to exceed 15% over the next 12 months.
ACCUMULATE	We expect a total return of between 5% and 15%. Investors should consider adding to holdings or taking a position in the stock on share price weakness.
HOLD	We expect the stock to return between 0% and 5%, and believe the stock is fairly priced.
LIGHTEN	We expect the stock's return to be between 0% and negative 15%. Investors should consider decreasing their holdings.
SELL	We expect the total return to lose 15% or more.
RISK ASSESSMENT	Classified as Lower, Medium or Higher, the risk assessment denotes the relative assessment of an individual stock's risk based on an appraisal of its disclosed financial information, historical volatility of its share price, nature of its operations and other relevant quantitative and qualitative criteria. Risk is assessed by comparison with other Australian stocks, not across other asset classes such as Cash or Fixed Interest.

Note: Through various investment entities, Bruce Mathieson beneficially holds a major shareholding in the Ord Minnett group as well as substantial shareholdings in Endeavour Group and Star Entertainment.

For information regarding Ord Minnett Research's coverage criteria, methodology, spread of ratings, and any potential conflicts of interest and analyst holdings please visit ords.com.au/methodology/

The analyst has certified that they were not in receipt of inside information when preparing this report, whether or not it contains company recommendations. Any reports in this publication have been authorised for distribution by Alastair Hunter, Head of Institutional Research at Ord Minnett.