



13 March 2017

Dear Shareholder

## Renounceable Rights Issue

On 9 March 2017 Metallica Minerals Limited (ASX:MLM) announced a renounceable pro rata entitlement offer to eligible shareholders of 1 new share for every 4 existing shares held at the record date of 7:00pm (AEST) on 16 March 2017, with 1 free attaching new option for every 2 new shares issued (**Offer**). The issue price for the new shares is \$0.052.

The Offer seeks to raise up to approximately \$2.9 million.

Further details of the Offer, including the rights issue timetable and effect on Metallica's capital structure are set out in a prospectus lodged with ASIC on 10 March 2017. The prospectus will be dispatched to eligible shareholders on 20 March 2017. The prospectus will be available on Metallica's and ASX's websites from that date.

Metallica has decided that it is unreasonable to extend the Offer to shareholders with a registered address outside Australia or New Zealand as at the record date (**Ineligible Shareholders**), having regard to the number of such shareholders, their holdings and the compliance costs required to extend Offer to those shareholders.

The purpose of this letter is to inform you that no offer is being made to you and the prospectus will not be sent to you as you are an Ineligible Shareholder.

This letter is neither an offer to issue securities to you nor an invitation for you to apply for the new securities under the Offer.

As the Offer is renounceable, Metallica will appoint a nominee to arrange for the sale of the entitlements that would have been given to you. If the entitlements are sold, the proceeds of sale will be distributed to you (after deducting the costs of the sale).

You do not have to take any action in relation to the Offer.

Yours sincerely

John Haley

Company Secretary