



ASX RELEASE

2 JULY 2018

PROJECT UPDATE – WAGINA AND URQUHART

Metallica Minerals Limited ([ASX:MLM](#)) (**Metallica** or the **Company**) is pleased to provide an update on due diligence activities underway on the advanced Wagina Bauxite Project (“Wagina”) in the Solomon Islands and negotiations regarding its 50%-owned Urquhart Bauxite project (“Urquhart”) in far north Queensland.

WAGINA

As announced in April, Metallica was granted an option to carry out exclusive due diligence on Wagina in exchange for providing a short-term loan to South West Pacific Bauxite (HK) Ltd, which owns 75% of the project (see ASX Release 30 April 2018).

Due diligence commenced prior to the loan being offered and is advancing well, with no material issues being discovered thus far. Discussions have commenced with all levels of government and support for the Wagina Project has been confirmed from senior national government officials.

Meaningful engagement has also taken place with residents on Wagina Island, where the bauxite deposit is located. Should involvement with the project progress past the due diligence stage, Metallica is committed to addressing any concerns residents may have and ensuring the local communities share in the expected economic and social benefits arising from the project.

During July, as part of the due diligence process, the Company expects to undertake geological sampling on Wagina Island to confirm bauxite quality and verify Wagina’s previously stated 30 million tonne JORC 2012 resource (refer to ASX Release dated 30 April 2018).

We look forward to completing the due diligence process in the second half of calendar 2018. Further updates will be provided as appropriate.

URQUHART

Metallica remains in discussions with various stakeholders in regards to securing approval to build a 15km haul road connecting the proposed Urquhart Bauxite project to existing port infrastructure at Hey Point.

The Company continues to pursue all avenues, including discussions with senior Queensland government officials, available to expedite negotiations and remains confident that an agreement will be reached that will allow Urquhart to be developed.

-ENDS-

For more information please contact:-

Metallica Minerals Ltd:

Simon Slesarewich

Chief Executive Officer

Phone: + 61 7 3249 3000

admin@metallicaminerals.com.au

Media Enquiries:

Luke Forrester

Media + Capital Partners

Phone: + 61 411 479 144

luke.forrester@mcpartners.com.au