

Metallica Minerals Ltd (ASX: MLM)

A resource development company

Annual General Meeting – 29 November 2019



Company Highlights



Cash Balance
\$2.3m as at
30 September 2019



Shares on Issue
324,047,408



\$4.2m Market Cap
based on current
share price of
1.3c/share



New Board of Directors
appointed on
1 February 2019 ¹



Exploration program
completed at Cape
Flattery Silica Sand
Project 20-100Mt ²



Option study
finalised for the logistic
options at
Urquhart Bauxite ³



New scouting
exploration program
underway for
northern Cape York
bauxite tenements



Nornico Voluntary
Administration
successfully resolved ⁵

Nornico Voluntary Administration successfully resolved ⁵

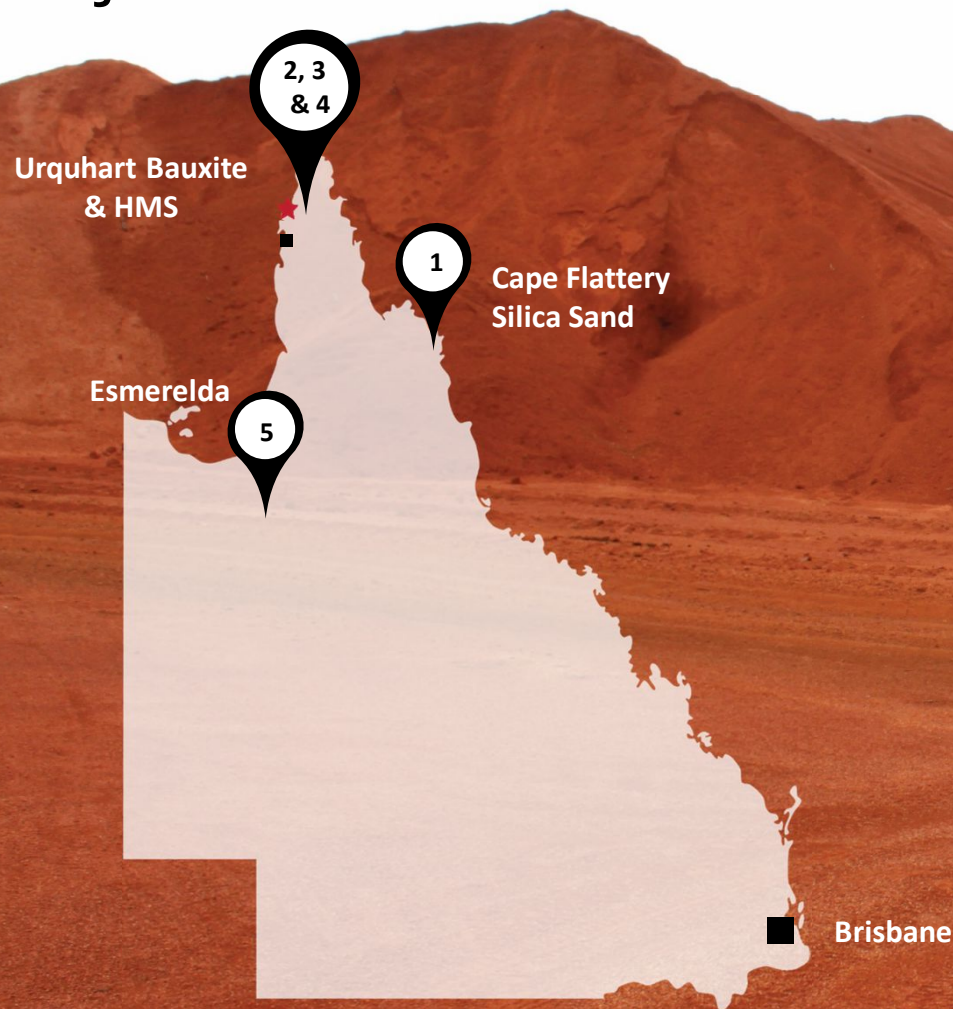
- Metallica's 100% subsidiary company, Nornico Pty Ltd (Nornico), held two royalty agreements with parties on the Bell Creek and Minnamoolka tenements. Should production commence from these tenements Nornico would have been subject to paying royalties.
- Nornico was placed into administration in August 2019 after it was identified that the two royalty agreements were not originally assigned by the prior Board and management when the SCONI tenements were sold to Australian Mines Ltd in late 2017.
- Metallica has successfully negotiated a resolution with the Administrators, the companies holding the royalty agreements and Australian Mines Ltd.

Outcomes:

1. **Australian Mines Ltd has taken on the royalty agreements' obligations, in return for reducing a future payment to Metallica from \$5m to \$2.5m, which is payable when the SCONI project reaches commercial production.**
2. **Metallica can now progress its current projects and future opportunities without further liability or claim from those companies holding the royalty agreements.**



Projects Overview



- 1 Cape Flattery Silica Sands Project (100%)
- 2 Urquhart Direct Shipping Bauxite Project (50%)*
- 3 Urquhart Point HMS Project (50%)*
- 4 Scouting Exploration Program for Bauxite (50%)*
- 5 Esmeralda Gold and Base Metals Project – 100%

* Cape York Joint Venture

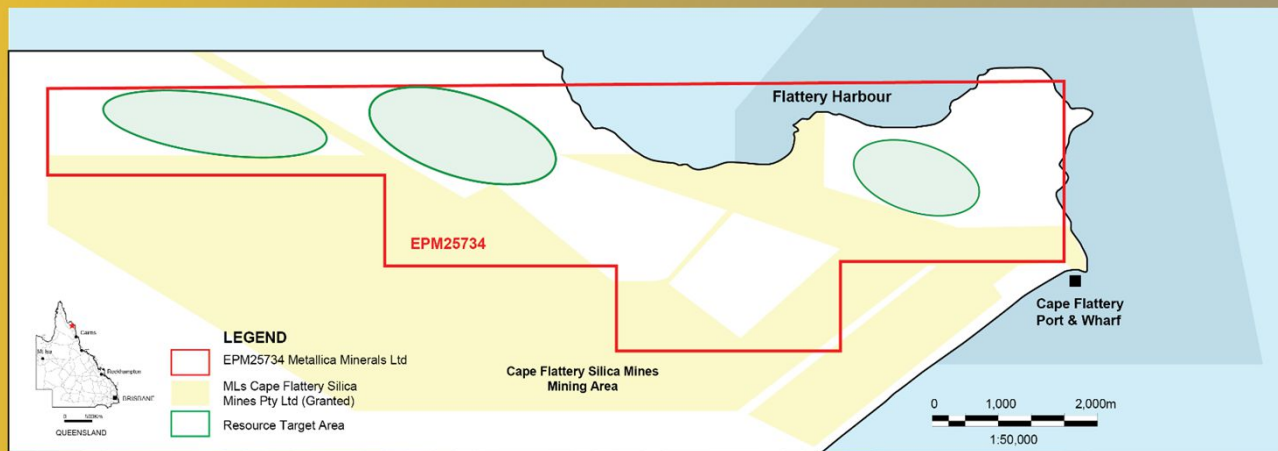
Metallica is focused on resource development.

The Company remains committed to advancing its existing project portfolio toward development and continuing to identify and pursue opportunities.

1. Cape Flattery Silica Sands Project (100%)

- Exploration target* of 20-100Mt² across 3 identified areas
- Maiden sampling program completed in March 2018; with further exploration completed in October 2019 – assay results pending
- Sampling identified high purity silica sands – greater than 99% silica sand (SiO₂)
- Located adjacent to Mitsubishi's Cape Flattery mine, the world's single largest source of silica sand that has been producing since 1967.
- **Next steps:** planning for a further detailed exploration program and investigating infrastructure options to load sand onto a ship and develop a project.

* The potential quality and grade of the Cape Flattery Silica Sand deposits are conceptual in nature. There is insufficient information at this time to device a mineral resource and there is no certainty that further exploration will result in the determination of a mineral resource in these areas.



2. Urquhart Bauxite Project (50% JV)

- Options study completed for the transshipping at Urquhart Bauxite Project
- Updated Pre-Feasibility Study delayed until Q1 2020 due to additional work in finalising the option details and reaching JV sign-off
- Mining Lease granted for mine area ⁶
- Chinese demand for bauxite is expected to grow in the coming years
- Possible funding options for the project development include Northern Australia Infrastructure Fund (NAIF), offtake partners, plus traditional debt/equity.

Classification	Area	Mt	Al ₂ O ₃ %	SiO ₂ %	AAI%*	RSi %**
Measured	A	3.0	54.4	11.8	43.2	5.0
Indicated	A	3.9	53.3	13.1	40.8	5.2
Inferred	A	0.3	54.2	11.3	42.0	4.7
	B	2.3	49.9	17.4	37.2	6.0
	Subtotal	2.6	50.3	16.8	37.6	5.9
Total		9.5	52.8	13.7	40.7	5.3

*AAI = Available Alumina @150°C

**RSi = Reactive Silica @ 150°C

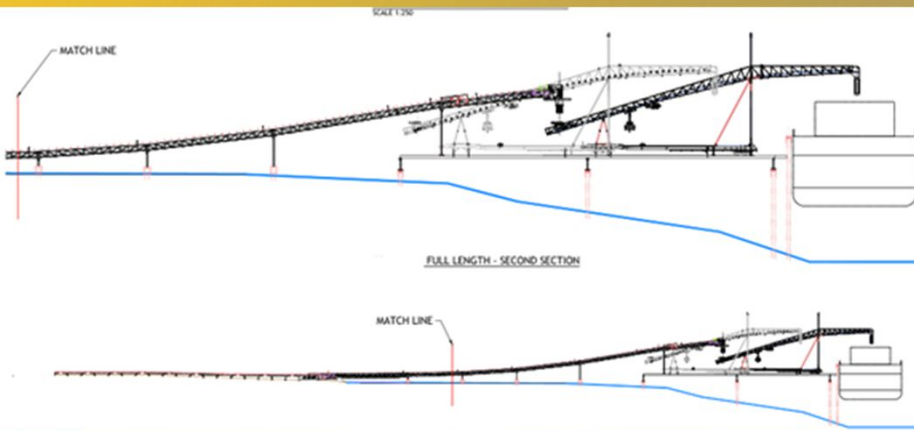
The information in this table is summarised from the JORC 2012 Mineral Resource in the ASX Release dated 11 May 2015



2. Urquhart Bauxite Project (50% JV)

Options Study → 2 potential options being pursued

1. Shiploader to be constructed adjacent to the HMS ML, with a conveyor crossing over Roberts Creek from the Urquhart Bauxite ML to the HMS ML
2. Shiploader from Option 1, plus a 17-km haul road constructed through the HMS ML area to the shiploader – *this option is no longer being pursued*
3. Barge-loading facility to be constructed, which requires a 750-metre jetty to be located adjacent to the Urquhart Bauxite ML.

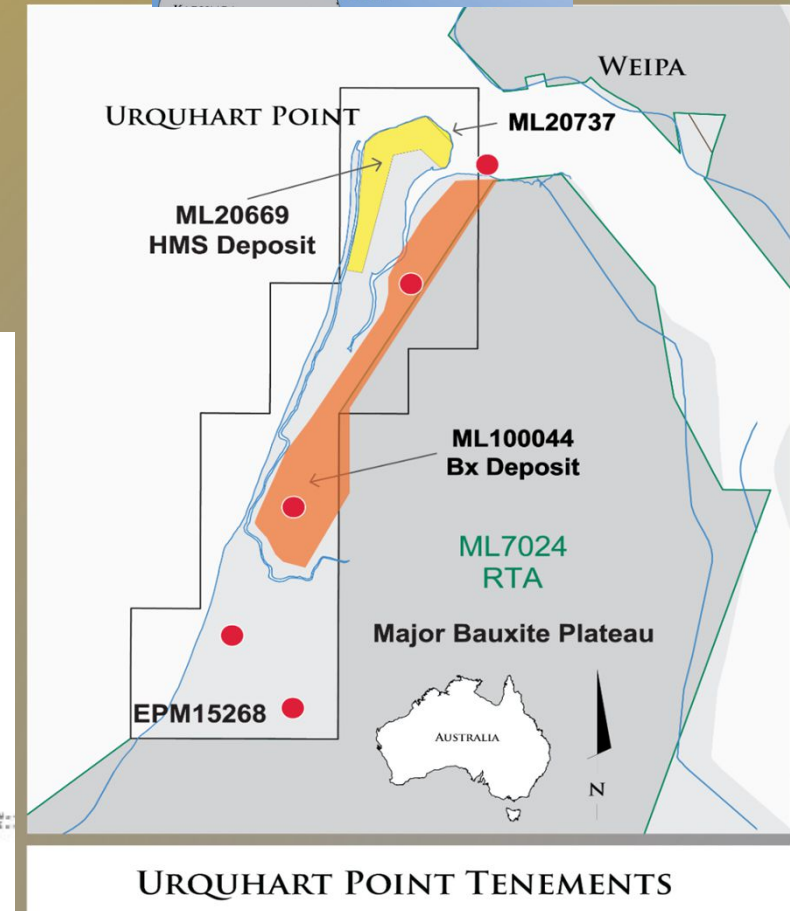
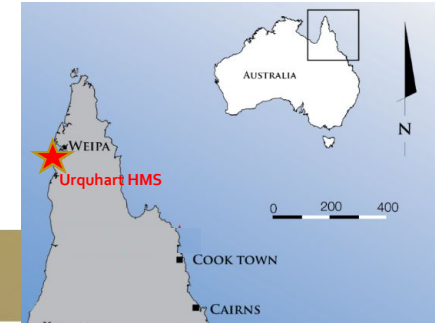
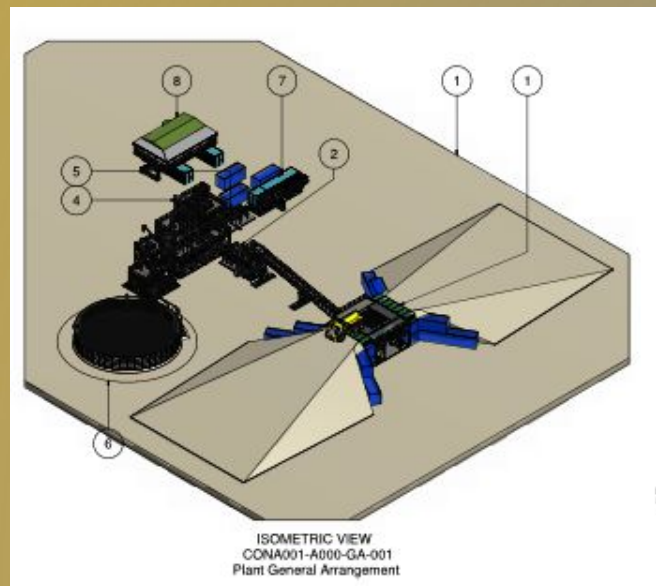


Elevation view of shiploader and structure proposed for options 1 & 2



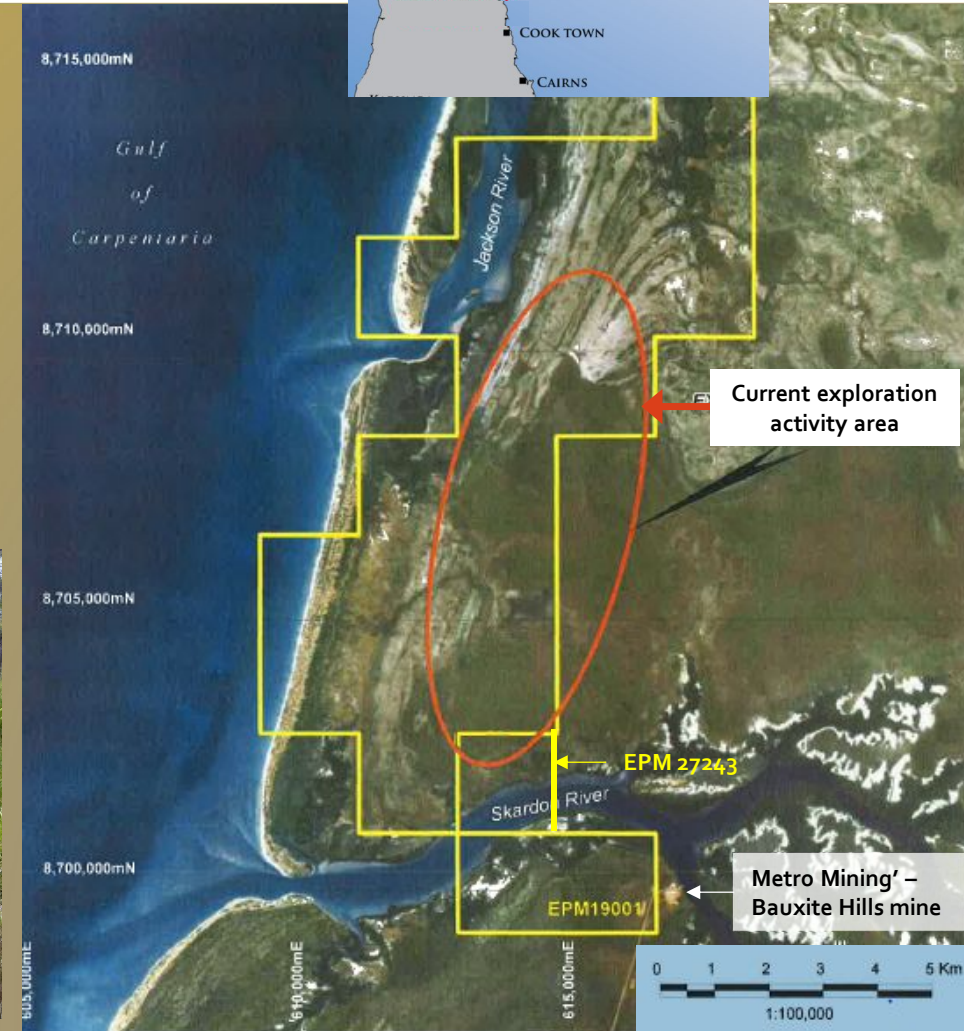
3. Urquhart Point Heavy Mineral Sands Project (50% JV)

- Project is currently on hold
- Mining and processing is fully permitted
- HMS processing plant is designed and acquired; currently in container storage near Brisbane
- Leveraged for a rebound in heavy mineral sand prices
- Heavy mineral sands prices have continued to show steady recovery
- Processing plant is simple dry mining and gravity separation
- Options are being assessed to sell the plant and create value from the ML tenement.



4. Scouting exploration – Northern Cape York bauxite tenements (50% JV)

- The JV is currently undertaking a scouting exploration program just north of the Skardon River to identify if a new bauxite project can be established
- Earlier in 2019, the JV acquired EPM27243, which may contain an ideal location for establishing a barge-loading facility on the northern side of the Skardon River
- Results of the bauxite exploration program will be known in early 2020.



Current exploration activity area

EPM 27243

EPM19001

Metro Mining' – Bauxite Hills mine

Looking forward



- Continue the exploration and development program at Cape Flattery Silica Sands Project
- Finalise the review of development options at Urquhart Bauxite Project
- Complete an updated PFS for Urquhart Bauxite Project
- Review the financial viability of the Urquhart Heavy Mineral Sand Project
- Continue to identify and evaluate new development opportunities
- Engage with shareholders and other stakeholders.



Footnotes



1. See ASX Release 1 February 2019 "Results of Meeting"
2. See ASX Release 18 April 2018 "High Purity Silica Sands at Cape Flattery"
3. See ASX Release 11 October 2019 "Urquhart Bauxite Development Options Update"
4. See ASX Release 20 May 2019 "Additional tenement applied for to enhance Esmeralda Project"
5. See ASX Release 25 November 2019 "Nornico no longer in administration"
6. See ASX Release 3 January 2018 "Mining Lease Granted for Urquhart Bauxite Project"
7. See ASX Release 12 September 2018 "Updated Pre-Feasibility Study"

Disclaimer & Competent Person Statement



Statements & material contained in this presentation, particularly those regarding possible or assumed future performance, production levels or rates, metal prices, metal markets, resources or potential growth of Metallica Minerals Ltd, industry growth or other trend projections are, or may be, Forward Looking Statements. Such statements relate to future events & expectations as such, involve known & unknown risks & uncertainties.

The Urquhart Bauxite (Bx) and Urquhart Point Heavy Mineral Sands (HMS) Projects, Esmeralda Graphite and the Cape Flattery Silica Sands Projects are at the exploration, advanced evaluation & feasibility stage & although reasonable care has been taken to ensure that the facts stated in this presentation are accurate & or that the opinions expressed are fair & reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness.

Actual results & developments of projects and market development may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

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Forward-looking statements are based on assumptions regarding Metallica Minerals Limited ("Metallica"), business strategies, plans and objectives of the Company for future operations and development and the environment in which Metallica may operate.

Forward-looking statements are based on current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties. Actual results, performance or achievements of Metallica could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained in this presentation are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Metallica, which may cause the actual results, performance or achievements of Metallica to differ materially from those expressed or implied by the forward-looking statements. For example, the factors that are likely to affect the results of Metallica include general economic conditions in Australia and globally; ability for Metallica to fund its activities; exchange rates; production levels or rates; demand for Metallica's products, competition in the markets in which Metallica does and will operate; and the inherent regulatory risks in the businesses of Metallica. Given these uncertainties, readers are cautioned to not place undue reliance on such forward looking statements.

Competent Person Statement

Urquhart Bauxite

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by John Cameron (a geologist of over 25 years experience), and a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is a contract consultant to Metallica Minerals Ltd. Mr Cameron has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cameron consents to the inclusion of this information in the form and context in which it appears in this release/report.

Cape Flattery Silica Sands

The information in this report that relates to the Exploration Results and Exploration Targets was undertaken by Mr Neil Mackenzie-Forbes, who is a Member of the Australian Institute of Geoscientist and is a Consulting Geologist employed by Sebrof Projects Pty Ltd. Mr Neil Mackenzie-Forbes has in excess of 20 years mining and exploration experience in Australia with major mining and junior exploration companies. Mr Mackenzie-Forbes has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Neil Mackenzie-Forbes consents to the inclusion of this information in the form and context in which it appears in this release/report.

Exploration Target

The potential quality and grade of the Cape Flattery Silica Sand deposits are conceptual in nature. There is insufficient information at this time to define a mineral resource and there is no certainty that further exploration will result in the determination of a mineral resource in these areas.