



28 June 2023

Queensland Government releases new critical minerals strategy with spotlight on Cape Flattery silica sand development

High purity silica sand developer, Metallica Minerals Limited (ASX: MLM) welcomes the Queensland Government's plans for targeted investment at Cape Flattery, North Queensland, the location of Metallica's Cape Flattery Silica Sand Project, as part of a new strategy to grow Queensland's critical mineral sector.

Queensland Premier, Anastacia Palaszczuk unveiled the Queensland Critical Mineral Strategy on Tuesday of this week at the World Mining Congress in Brisbane.

Metallica's Executive Chairman, Theo Psaros said: "A key component of the Queensland Government's focus on Cape Flattery is planning by the Office of Co-ordinator General to undertake baseline environmental studies at Cape Flattery. These studies have potential to be value adding to the process to complete our Environmental Impact Statement. Preliminary meetings have been held between this office and Metallica and when completed this independent work will be made available to all developers at Cape Flattery."

The Critical Minerals Strategy provides for \$245 million investment into growing Queensland's critical mineral sector, including, but not limited to:

1. Reduction in rents for new and existing exploration permits for critical minerals to \$0 for the next five years
2. Establishing critical mineral zones
3. Establish "Critical Minerals Queensland", a one-stop office to oversee the development of the sector and help drive and attract international investment
4. Establishment of a \$100m Critical Minerals and Battery Technology Fund to support new investments in projects.

Mr Psaros said, "Metallica is pleased with the strategy outlined by the Palaszczuk Government to support the development of critical mineral projects in Queensland. The Premier highlighted Cape Flattery in her address to the World Mining Congress."

"The energy transition affords us a once-in-a generation opportunity to leverage the growing demand for critical minerals such as high purity silica sand."

"Metallica looks forward to working with the Queensland Government and its key agencies as the Critical Mineral Strategy is implemented."



Queensland Minister for Resources, Scott Stewart and Metallica Minerals Executive Chairman, Theo Psaros at the announcement of the Queensland Critical Mineral Strategy at the World Mining Congress, Brisbane

About the Cape Flattery Silica (CFS) Project

Metallica's 100% owned Cape Flattery Silica Sand (CFS) Project is located in the Cape Flattery area, on the eastern coastline of Cape York Peninsula, 220 km north of Cairns, and 55km from Cooktown. Metallica is developing the CFS Project adjacent to the Cape Flattery Silica Sand mining and shipping operation owned by the Mitsubishi Corporation. Initial exploration drilling in late 2019 confirmed the presence of high purity silica sand within EPM 25734.

The Project's development will be a major boost to the North Queensland economy, leveraging off its strategic location, within the declared Cape Flattery Port area and within the silica sand hub area.

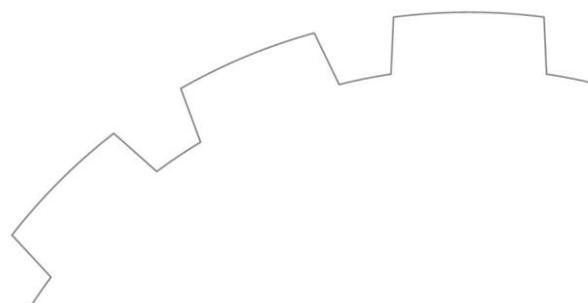




Figure 2: EPM 25734 location and orientation at Cape Flattery and within the Cape Flattery Port limit

This announcement has been approved in accordance with the Company’s published continuous disclosure policy and has been approved by the Board. For further information, please contact:

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Forward-looking statements

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