



15 December 2023

Cape Flattery Silica Project – declared a Coordinated Project by Office of Coordinator-General

Metallica Minerals Limited (ASX MLM) is pleased to announce that the Cape Flattery Silica (CFS) Project meets the criteria for a coordinated project under the *State Development and Public Works Organisation Act 1971 (QLD)* (SDPWO Act) and is the first project at Cape Flattery to be declared a Coordinated Project by the Queensland Government's Office of the Coordinator-General.

The Company lodged its submission with the Office of the Coordinator-General in September 2023. The submission sought approval for up to 4mtpa of production which aligns with our ASX Announcement "Cape Flattery Silica updated DFS supports ~3Mtpa saleable product" lodged on 15 November 2023.

A Coordinated Project designation is intended to streamline interactions with key State and Commonwealth Government departments and agencies. The Coordinator-General will now prepare draft terms of reference for an Environmental Impact Statement (EIS) which will be released to the public for comment. To date significant environmental works have been undertaken which can be used towards meeting the requirements of the EIS.

In December 2022, the Company submitted a Referral under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The Federal Department of Climate Change, Energy, the Environment and Water (DCCEEW) have confirmed that the Federal process will run bilaterally with the Office of the Coordinator-General leading the process. The bilateral agreement between Commonwealth of Australia and the State of Queensland allows the Coordinator-General to conduct a single environmental assessment process that also addresses Commonwealth matters of national environmental significance. The Commonwealth of Australia will make a decision under the *Environment Protection and Biodiversity Conservation Act 1999* after considering the Coordinator-General's evaluation report for a project under the bilateral agreement.

Metallica Minerals Executive Chairman, Theo Psaros said "we are very pleased to have been declared a Coordinated Project. The Office of the Coordinator-General has been very professional and diligent in their assessment of our application, and we look forward to working with them, the many Queensland Government agencies and ultimately the key Commonwealth agencies. The declaration signifies strong support from the Queensland Government for our project and working directly with the Office of the Coordinator-General will add value to the regional government, Queensland Government and Commonwealth agencies engaged throughout our approvals process."

About the Coordinator-General

The role of the Coordinator-General was established in 1938 to coordinate the provision of public infrastructure and encourage development and the creation of jobs in post-Depression times.

Over time the role has evolved and the Coordinator-General increasingly plays a key role in Queensland's economic development. The Coordinator-General administers the SDPWO Act, along with the relevant Minister.

Under the SDPWO Act, the Coordinator-General has wide-ranging powers to plan, deliver and coordinate large-scale projects, while ensuring their environmental impacts are properly managed. These projects, in turn, promote economic and social development in Queensland.

The Coordinator-General is a corporation solely representing the State. The position currently sits within the Department of State Development, Infrastructure, Local Government and Planning. The key areas of the Coordinator-General include:

- Strong and Sustainable Resource Communities
- Assessments and approvals
- State Development areas
- Compulsory land acquisition
- Project facilitation

About Coordinated Projects

Proponents of a project with one or more of the following characteristics may apply to have it declared a 'coordinated project' by the Coordinator-General:

- complex approval requirements, involving local, state and federal governments
- significant environmental effects
- strategic significance to the locality, region or state, including for the infrastructure, economic and social benefits, capital investment or employment opportunities it may provide
- significant infrastructure requirements.

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.

Metallica completed a Definitive Feasibility Study in July 2023 (see ASX Release dated 17 July 2023 "*Cape Flattery Silica DFS confirms excellent economics*") and an Updated Definitive Feasibility Study in November 2023 (See ASX Release dated 15 November 2023 "*Cape Flattery Silica Updated DFS supports 3mtpa saleable product*").

As announced on 15 November 2023, the Updated Definitive Feasibility Study outlined exceptional economics including a construction CAPEX requirement of A\$236.7 million, an internal rate of return of 37.2% and a Net Present Value of \$702.4 million (nominal 10%, pre-tax) ¹.

The Company continues to progress various other off-take and financing discussions for development comprising sand extraction, processing, and transhipment.

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.

The Company has successfully signed an MOU for offtake with Mitsui (see ASX announcement dated 30 August 2022) and an MOU with Eternal Asia (see ASX announcement dated 12 December 2023).

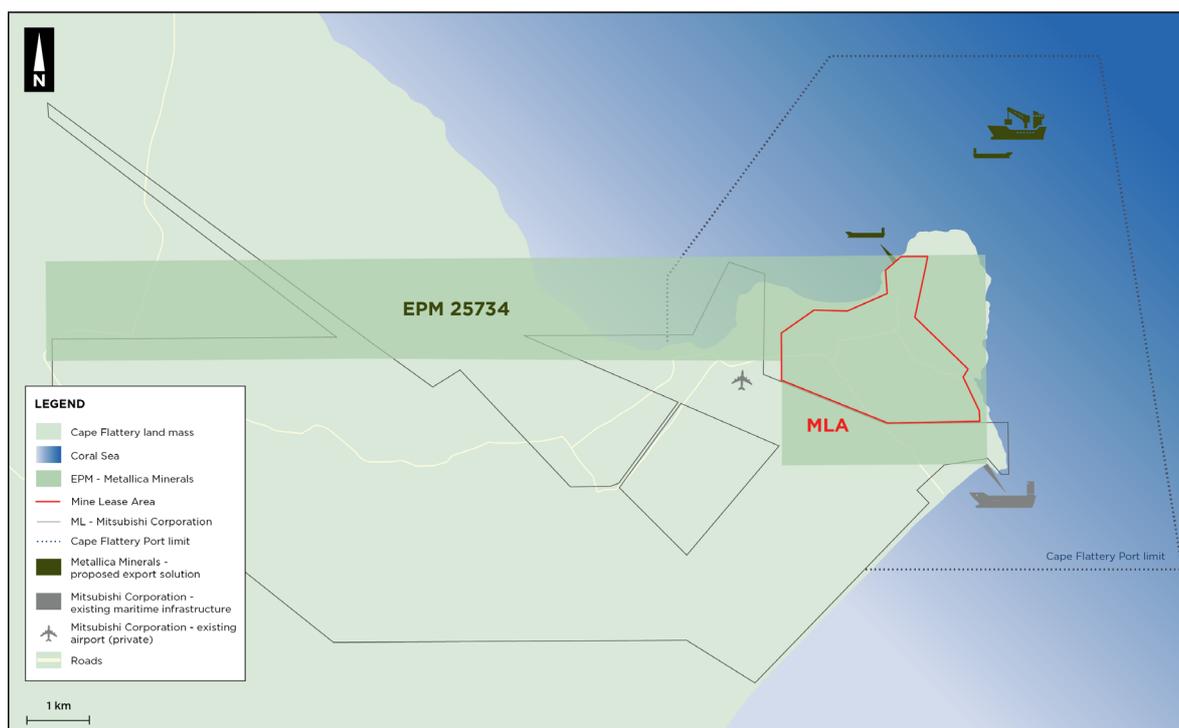


Figure 1 EPM 25734 location and orientation at Cape Flattery and within the Cape Flattery Port limit

This announcement has been approved in accordance with the Company’s published continuous disclosure policy and has been approved by the Board.

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Forward-looking statements

Forward-looking statements are based on assumptions regarding 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.

¹ Previous ASX Announcements

Information in relation to the CFS Updated Definitive Feasibility Study, including financial information, included in this report is extracted from an ASX Announcement dated 15 November 2023, ("Cape Flattery Updated DFS supports 3mtpa saleable product"). The Company confirms that all material assumptions underpinning the production target and financial information set out in the announcement released on 15 November 2023 continue to apply and have not materially changed.