



23 May 2024

Cape Flattery Silica Sand Project Update

Metallica Minerals Limited (**Metallica**, ASX: MLM, Company) is pleased to provide an update on a number of matters in relation to the 100% owned Cape Flattery Silica (CFS) sand project.

As a result of the unsolicited and conditional off-market takeover bid by Diatreme Resources Limited (ASX: DRX), the Company has deemed it prudent to suspend the majority of the planned project development works at Cape Flattery. A summary of the current status is provided below.

Environmental Impact Assessment process (EIS)

Metallica has continued to engage with the Office of Coordinator General (OCG) on the draft Terms of Reference (ToR) for the EIS, which are expected to be released to the public for comment in the very near future.

As previously disclosed, key components of the environmental studies have already been completed. However, as a result of the unsolicited and conditional takeover offer, studies that did not require receipt of the ToR have been put on hold. These environmental studies may be resumed at any time in the near future.

Traditional Landowner negotiations

In addition to the EIS process, the Company has also deemed it prudent to put on hold the mediation that has been sought from the National Native Title Tribunal with the Negotiation Parties (being the Dingaal and Nguurruumungu Clans, the State of Queensland and Metallica's subsidiary Cape Flattery Silica Pty Ltd). The process with the Tribunal has been suspended for the time being and all parties to the mediation have been notified.

About the Cape Flattery silica sand project

A full description of the Cape Flattery silica sand project can be found in the ASX releases dated 15 November 2023 "Cape Flattery Silica Updated DFS Supports ~3mtpa Saleable Product" and 17 July 2023 "Cape Flattery Silica DFS confirms excellent economics".

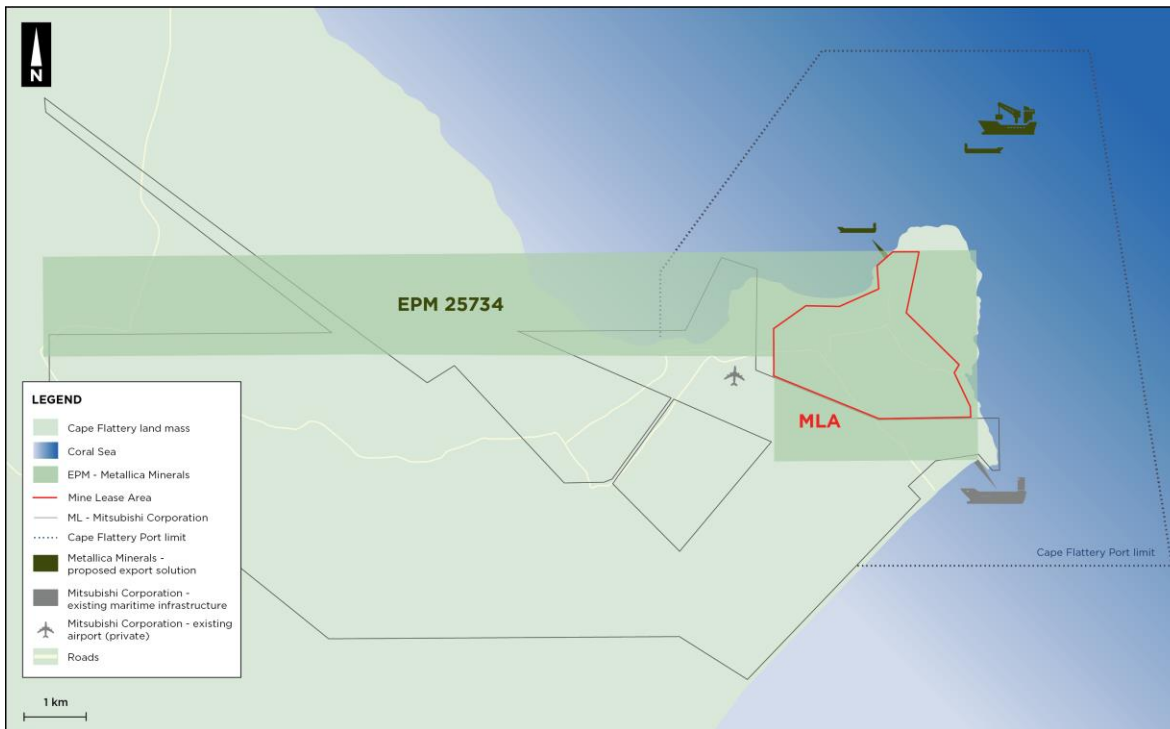


Figure 2: EPM 25734 location and orientation at Cape Flattery and within the Cape Flattery Port limit
 This announcement has been approved in accordance with the Company’s published continuous disclosure policy and has been approved by the Board. For further information, please contact:

Mr Theo Psaros
Executive Chairman
+61 (7) 3249 3000

Mr Scott Waddell
CFO & Company Secretary
+61 (7) 3249 3000

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 funds 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.

Production Targets

Information in relation to the CFS Definitive-Feasibility Study production targets included in this report is extracted from an ASX Announcement dated 15 November 2023 (ASX announcement [“Cape Flattery Silica Updated DFS Supports ~3mtpa Saleable Product”](#)). The Company confirms that all material assumptions underpinning the production target set out in the announcement released on 15 November 2023 continue to apply and have not materially changed.

