



METALLICA MINERALS

CAPE YORK HMS & Bauxite

Low Cost Mine - Barge - Ship Strategy

★ **SCONI**

Emerging Developer to Miner

ASX:MLM

Noosa Mining & Exploration
Conference
18 & 19 July 2014



Disclaimer

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 **SCONI Scandium-Cobalt-Nickel Project**, the **Cape York Heavy Mineral Sands (HMS) and Bauxite (Bx) Projects (Incl Urquhart Pt)** 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 scandium market development may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

At the date of this presentation Metallica Minerals holds approximately 30.8% of MetroCoal Limited, further information can be sourced from metrocoal.com.au

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

This material is used for a company summary presentation only, for more detailed information the reviewer should seek company information as provided in Metallica's ASX releases, Annual & Quarterly Reports.

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 the 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.

- The **Urquhart Point Project** is at an advanced evaluation and feasibility stage and reasonable care has been taken to ensure that the facts stated in this announcement are accurate and or that the opinions expressed are fair and reasonable. However, actual results may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.
- A key conclusion of the **feasibility Study (FS)** which is based on forward looking statements is that the Urquhart HMS Project is considered to have positive economic potential and subject to funding the project is intended to be developed.

Technical information contained in this report has been compiled by Metallica Minerals Managing Director Mr Andrew Gillies B.Sc. & M. AUSIMM, who is a **competent person** & a member of the Australasian Institute of Mining & Metallurgy & have relevant experience to the mineralisation being reported on to qualify as Competent Persons as defined by the Australasian Code for Reporting of Minerals Resources & Reserves. Mr Gillies consents to the inclusion in this presentation of the matters based on the information in the form & context in which it appears.

***Exploration Target** - The potential quantity and grade of the bauxite 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.

For further detailed information on the content of this presentation please also refer to the following ASX Releases dated: 20 May 2014, 17 June & 24 June 2014 & 11 July 2014



MLM Financial Overview

METALLICA'S VISION

Become a successful producer of zircon-rutile, bauxite & scandium-nickel-cobalt products

Financial Information

Share price (15 July 2014)	4.9c
Shares on Issue	160.6M
Market Cap (15 July 2014)	\$7.9M
Cash Position (1 July 2014) <i>No Debt</i>	\$1.2M
ASX Investments (15 July 2014) MTE	~\$2.6M
Cash & Listed Investments (15 July 2014)	~\$3.8M

Major Shareholders

Jien Mining Pty Ltd	25%
Victorian Ferries Pty Ltd	10.8%
Golden Breed Pty Ltd	6.1%
Bondline Ltd	3.1%
Top 20 shareholders (2,100)	59%

Name	Position	Background	Experience
David Barwick	Non-Executive Chairman	Financial / Corporate	40+ years
Andrew Gillies	Managing Director	Geology / Mining / Corp Dev	27+ years
Barry Casson	Non-Executive Director	Financial / Corporate	40+ years
Wu Shu (Tao Li – Alternate)	Non-Executive Director	Engineering	30+ years
John Haley	CFO/Company Secretary	Financial	28+ years



Australian Junior Resources Sector Market

XSR : ASX SMALL RESOURCES JULY 2004 - JULY 2014





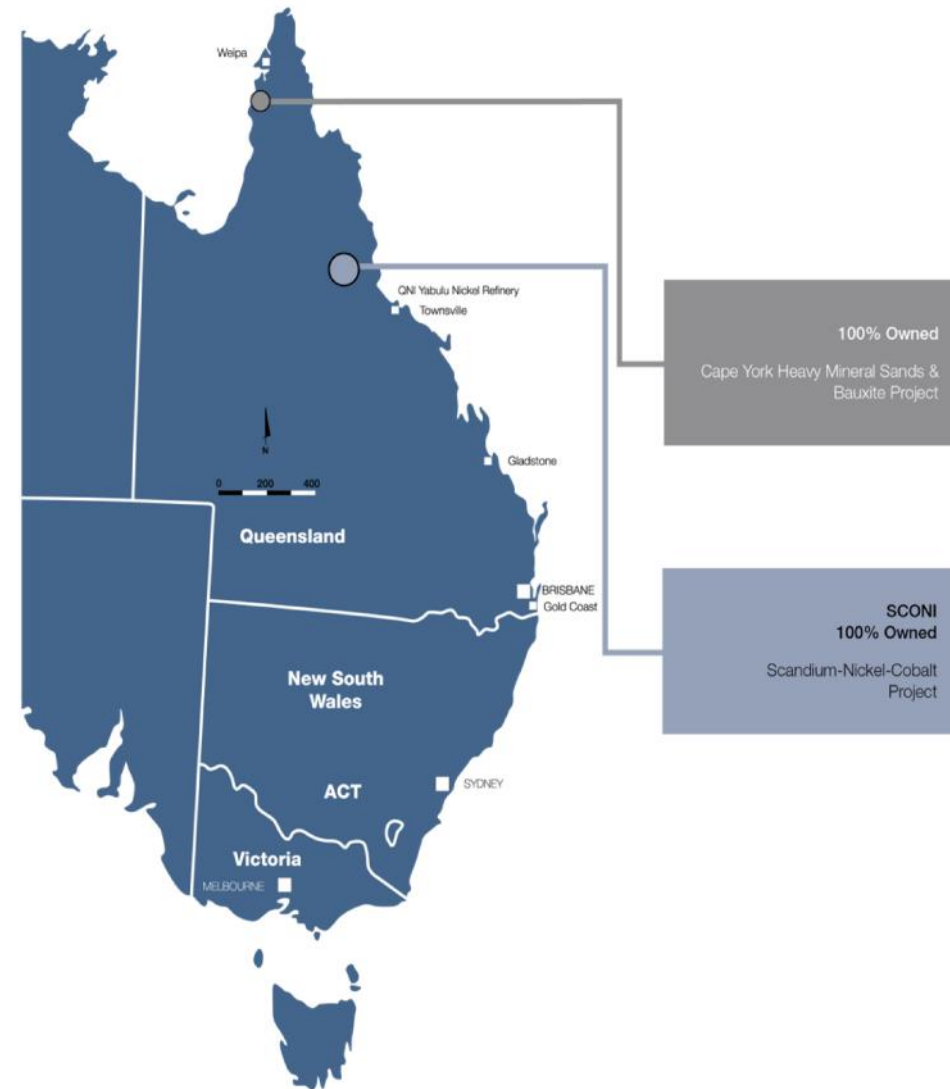
MLM Core Projects (100%)

- **HMS – Zircon, Ti Minerals & Bauxite**

Cape York HMS & Bauxite Project

- **Nickel – Cobalt – Scandium**
SCONI (Sc-Co-Ni) Project

*All commodities
which China needs*





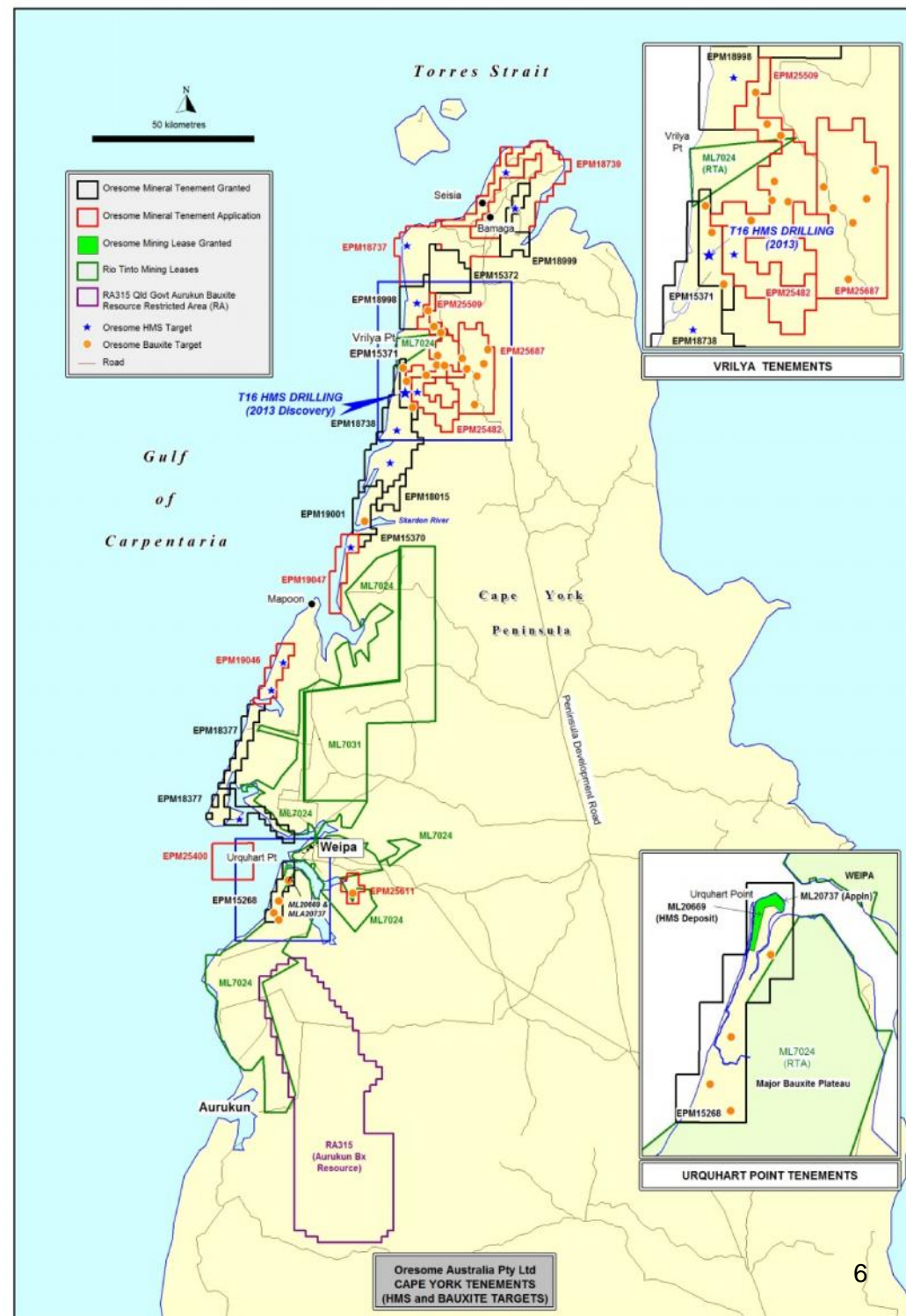
MLM 100% Tenure

"Title is Vital"

- ✓ 2,500 sq km prospective exploration tenure
- ✓ 300 km coastal tenure
- ✓ Highly prospective HMS & Bauxite
- ✓ Incredulous Urq Pt only HMS deposit in CY
- ✓ T16 HMS Discovery - first target tested, 160km north of Urq Pt



Photo looking east above the Urquhart Point mining lease and proposed HMS mining area (including barge loading sites) across the Embley River (a deep protected shipping channel), Weipa Port and Township. Further distance is Rio Tinto's Weipa bauxite mining and shipping operations.





Urquhart Point – HMS Development (Weipa)

- Urquhart Point Reserve & Positive FS (See ASX Release 24 June 2014)
- NPV of \$4.9 m & IRR of 69% - 5 year mine life
- 1 year payback on \$6.5M establishment cost
- Simple mine (<3m), basic processing (wet gravity-Spirals), barge conc. & ship operation
- Model uses TZMI Zircon-Ti Mineral prices (currently low)
- 0.85 long term FX rate, viable at higher FX rates
- Project Funding & Offtake in advanced negotiation
- Fully permitted, Ready for development



West Cape York HMS & Bauxite Project

- Exceptional Regional Potential 2,500 square km
 - 300km sandy coastlines adjoining Bx plateaus
- Modern day/recent version of Eucla & Murray Basin HMS
- T16 “zircon-rich HMS discovery” in late 2013
- CYRP no effect - *see ASX release 17 June 2014*
- >10 regional HMS targets – T16 was the first target drilled
- 15 Bx Exploration Targets* defined combined 47 to 138Mt
 - *further information see Table page 30 and ASX release 11 July 2014*
- Exploration drilling planned Sept 2014

***Exploration Target** - The potential quantity and grade of the bauxite 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.



Urquhart Point HMS Resource Estimate

Global Mineral Resource – 0% HM COG

See ASX Release dated 20 May 2014

COG = 0% HM								
Resource Category	Tonnes	HM%	HM Tonnes	OS%	Slimes%	Zircon %	Rutile %	Ilmenite %
Measured	1,945,360	6.92	134,529	13.83	1.07	10.2	12.5	12.5
Indicated	1,365,440	4.60	62,746	15.33	1.15	11.4	10.9	13.2
Total	3,310,800	5.96	197,275	14.45	1.11	10.6	12.0	12.7

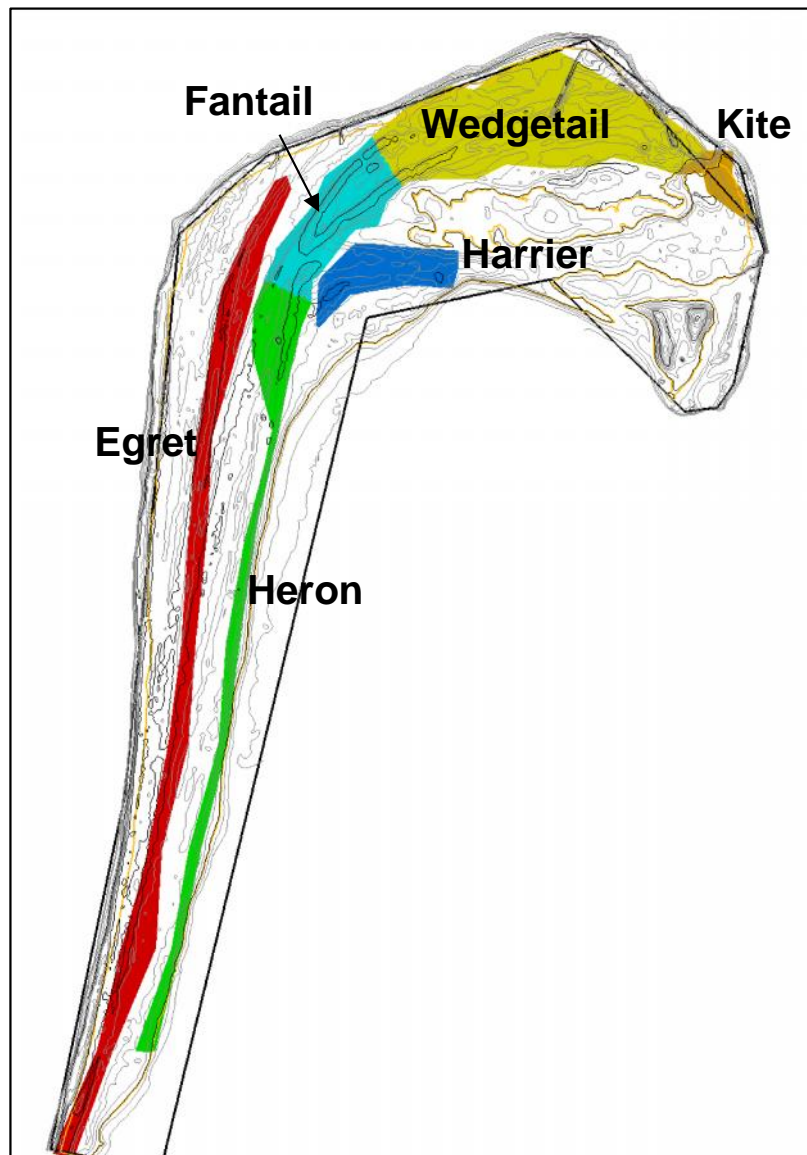
Mineral Resource constrained by mining lease and environmental buffers – 0% HM COG

COG = 0% HM								
Resource Category	Tonnes	HM%	HM Tonnes	OS%	Slimes%	Zircon %	Rutile %	Ilmenite %
Measured	1,882,960	6.57	123,716	14.17	1.07	9.7	12.0	12.4
Indicated	1,345,840	4.60	61,930	15.41	1.16	11.4	10.9	13.2
Total	3,228,800	5.75	185,646	14.68	1.11	10.3	11.6	12.7

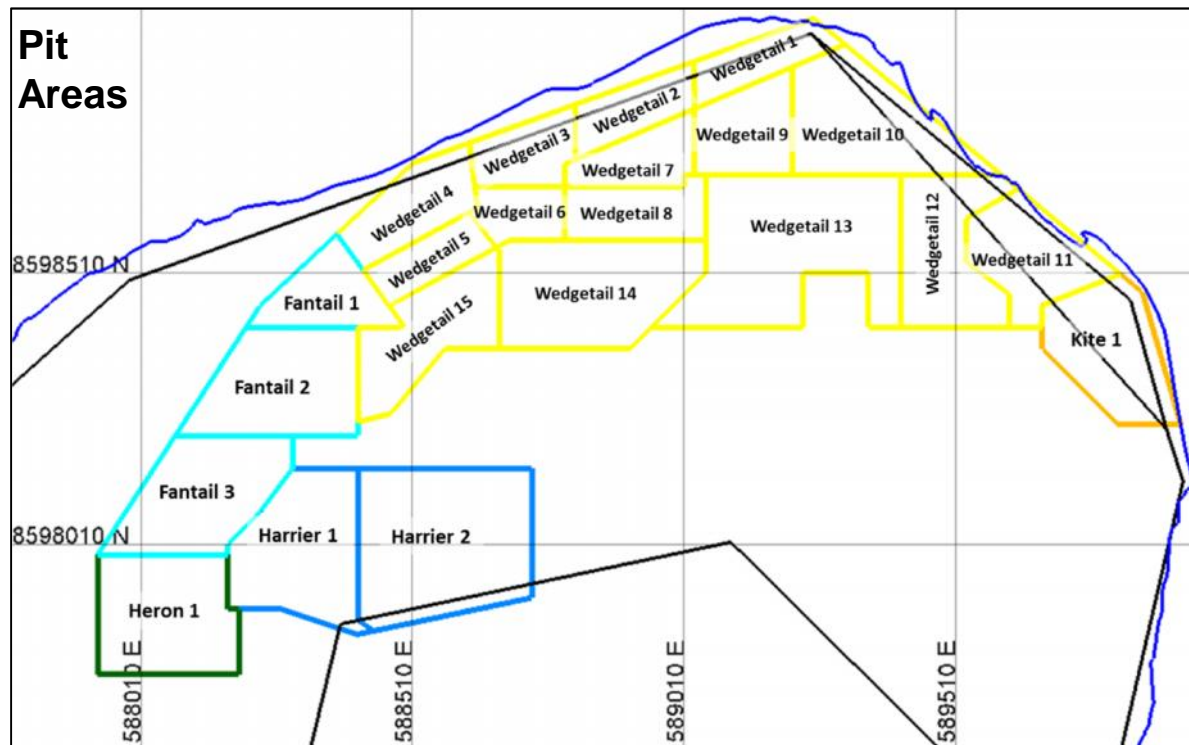
Mineral Resource constrained by mining lease and environmental buffers – 2% HM COG

COG = 2% HM								
Resource Category	Tonnes	HM%	HM Tonnes	OS%	Slimes%	Zircon %	Rutile %	Ilmenite %
Measured	1,781,360	6.85	122,090	12.46	1.03	9.8	12.0	12.4
Indicated	1,305,680	4.70	61,335	14.44	1.15	11.4	10.9	13.2
Total	3,087,040	5.94	183,425	13.30	1.08	10.3	11.6	12.7

Urquhart Point HMS Pit Areas



- Shallow <3m simple dry mining
- Pre-mining is planned to start in Wedgetail 5 to make room for the process plant
- Higher value areas will then be targeted





Urquhart Point HMS Reserve Estimate

The HMS Reserves have been independently estimated by consultants IMC Mining Pty Ltd

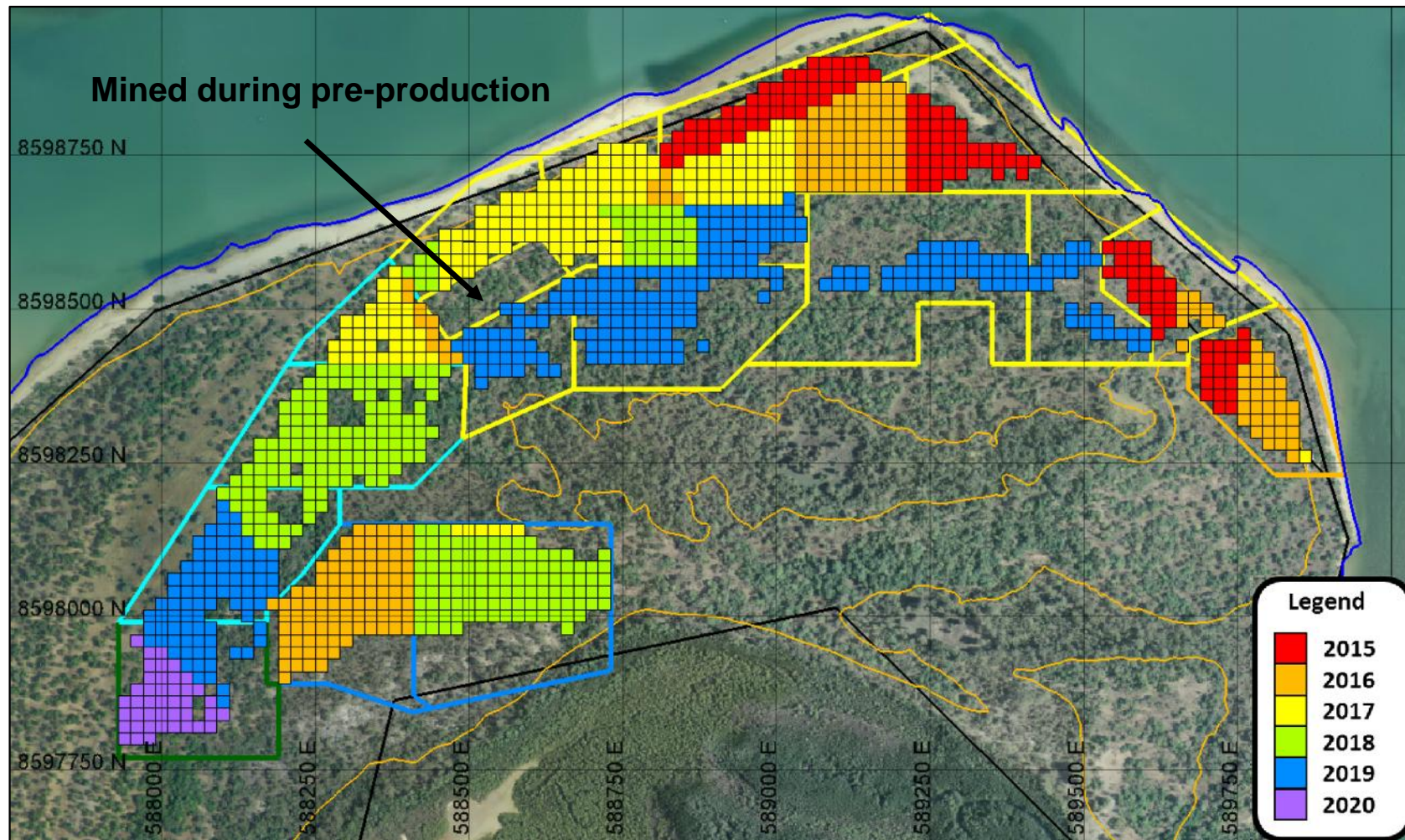
		Head Grade						HM Tonnage & Mineral Assemblage			
Ore Reserve Category	Tonnes (kt)	HM %	OS %	Slimes %	Zircon %	Rutile %	Ilmenite %	HM (kt)	Zircon % of HM	Rutile % of HM	Ilmenite % of HM
Proved	967	10.6	8.1	1.0	1.2	1.4	1.4	102	11.1	13.7	12.9
Probable	210	4.8	6.7	1.2	0.9	0.6	0.7	10	17.7	13.2	14.4
Total	1,177	9.5	7.9	1.0	1.1	1.3	1.2	112	11.7	13.6	13.1

- The Ore Reserves are based on the following long term FOB prices: Zircon \$1,500/t, Rutile US\$1,200/t and Ilmenite US\$200/t
- Ore Reserves are based on a Zircon Equivalent cut-off grade of 0.90%.
- Zircon Equivalent = Zircon% + 0.8xRutile % + 0.13xIlmenite%. Recoveries used in the equivalence calculation are 98.2%, 98.0% and 95.8% for Zircon, Rutile and Ilmenite respectively.

For further information see ASX Release 24 June 2014

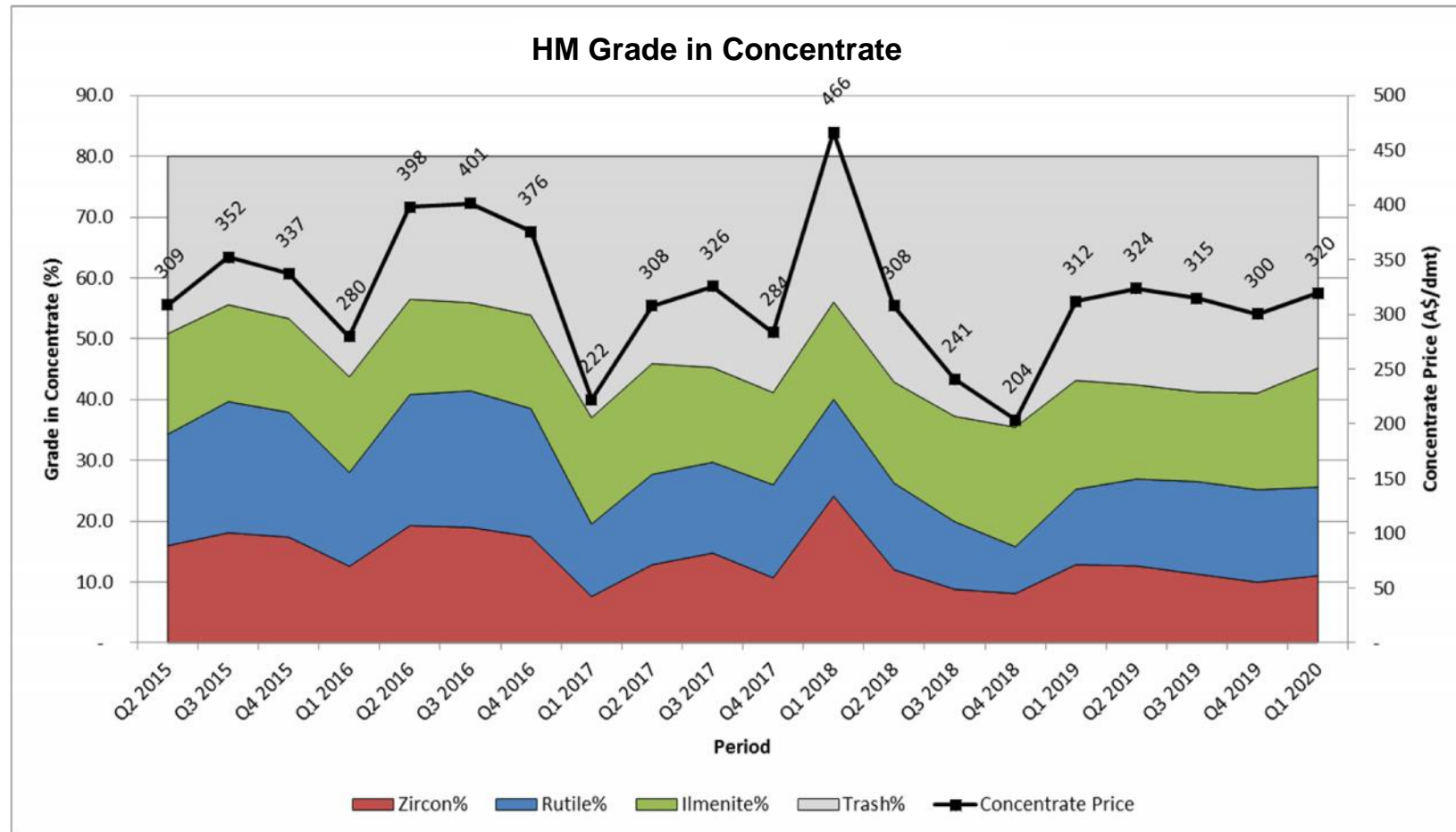


Mining Sequence of HMS Reserve Blocks





HM Concentrate Grade & Pricing Estimate

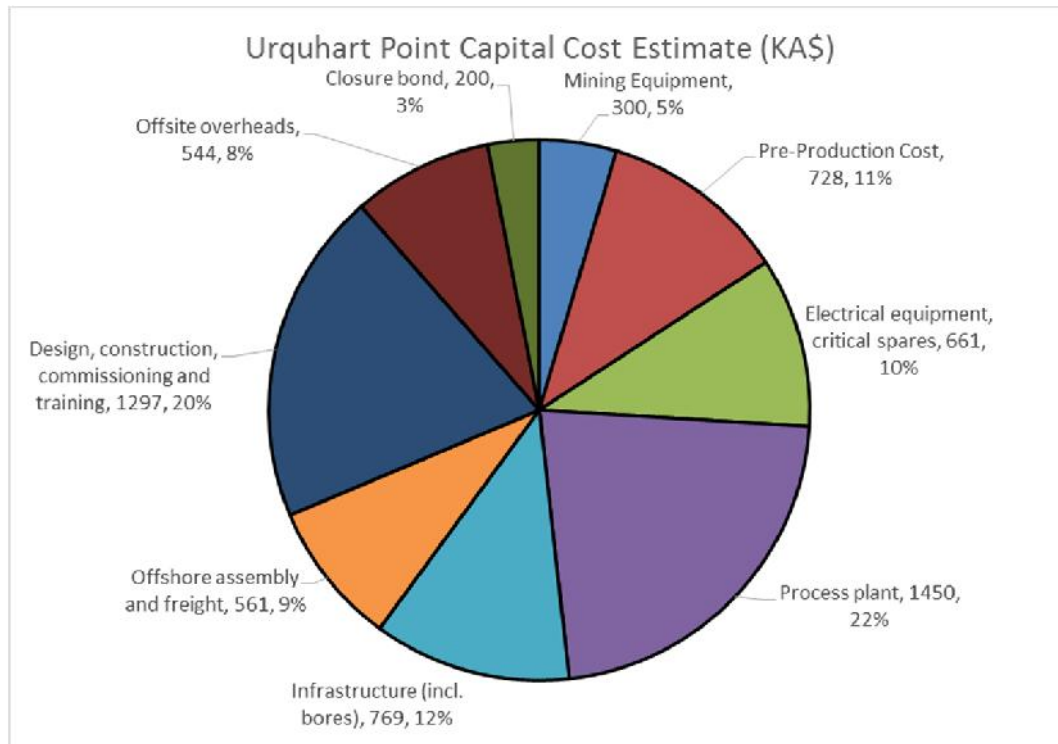




Urquhart Point HMS Project Capital Cost Estimate

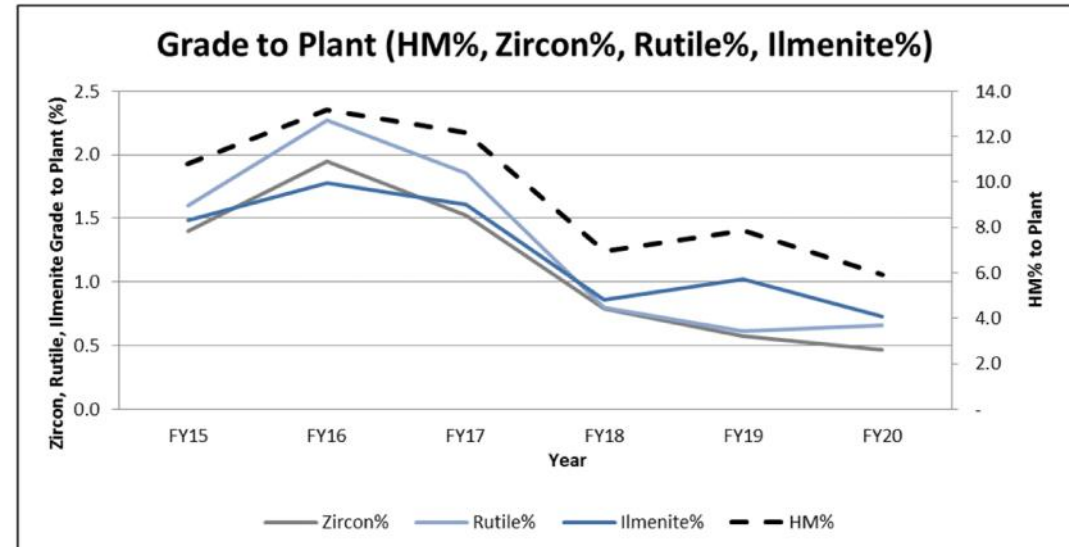
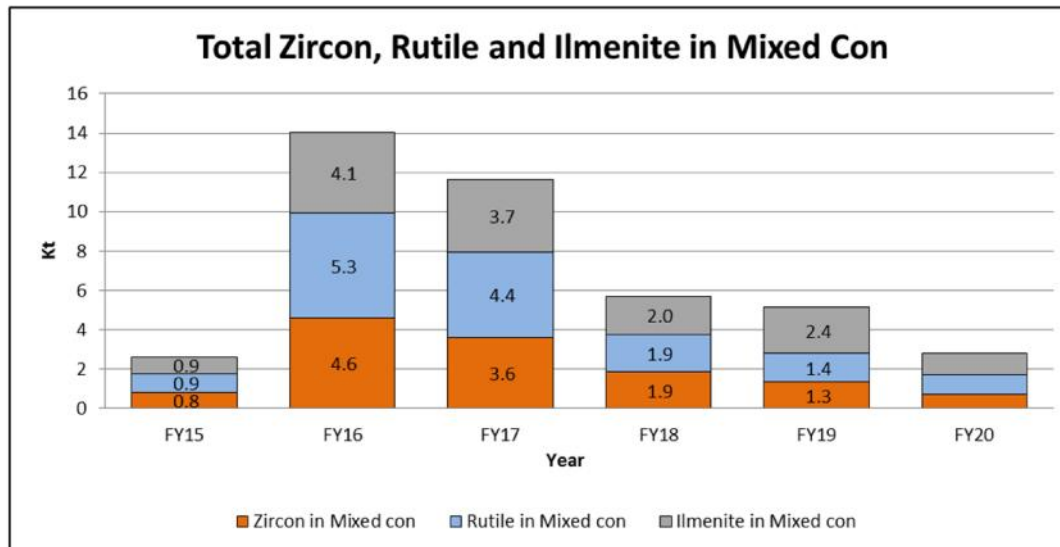
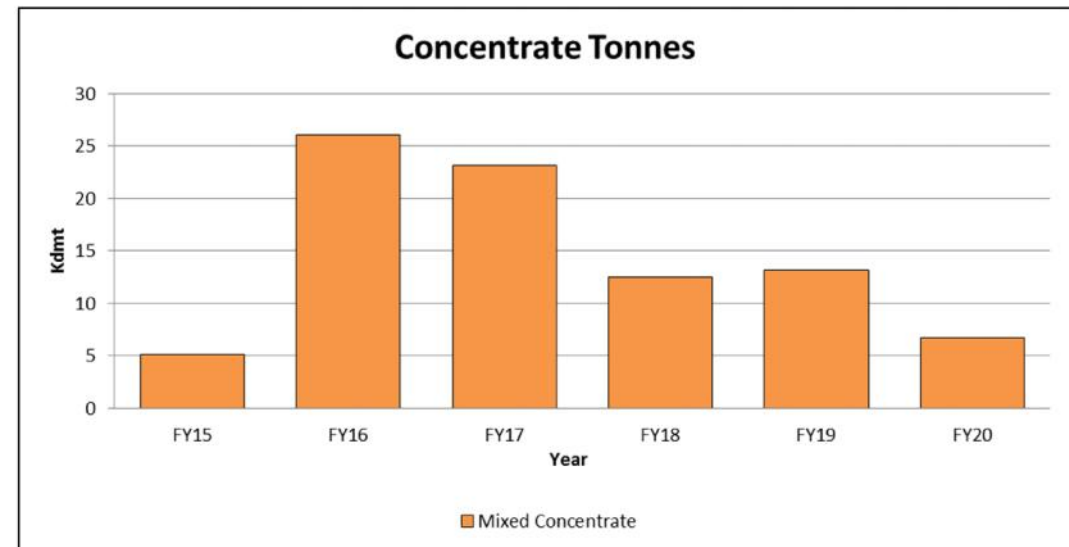
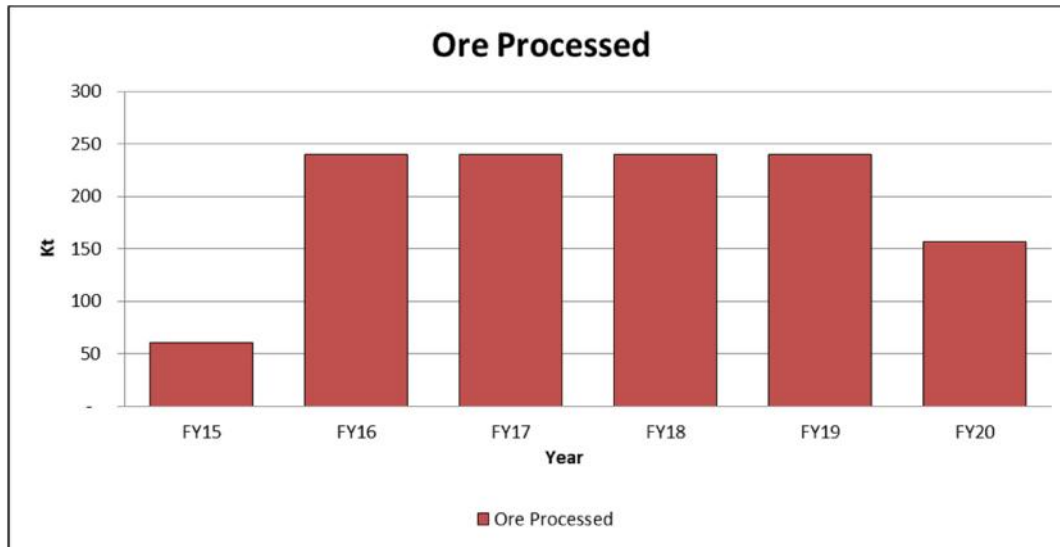
Capital Item	A\$ '000
Mining Equipment	300
Pre-Production Cost	728
Electrical equipment, critical spares	661
Process plant	1450
Infrastructure (incl. bores)	769
Offshore assembly and freight	561
Design, construction, commissioning and training	1297
Offsite overheads	544
Closure bond	200
Total	6,510

- The capital costs have been prepared to a -10%/+20% accuracy level and are quoted in 2014 Australian dollars
- The capital cost estimate includes the plant design, construction, commissioning and the training of operational personnel.





Annual Urquhart Pt Production Forecast - Physicals

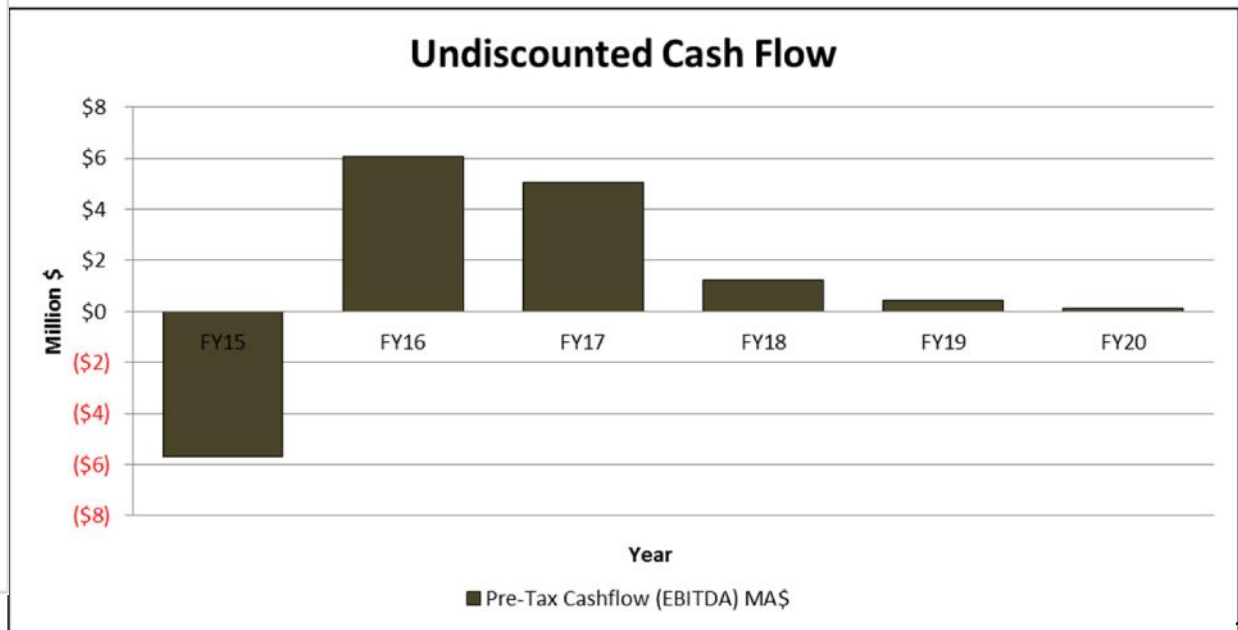
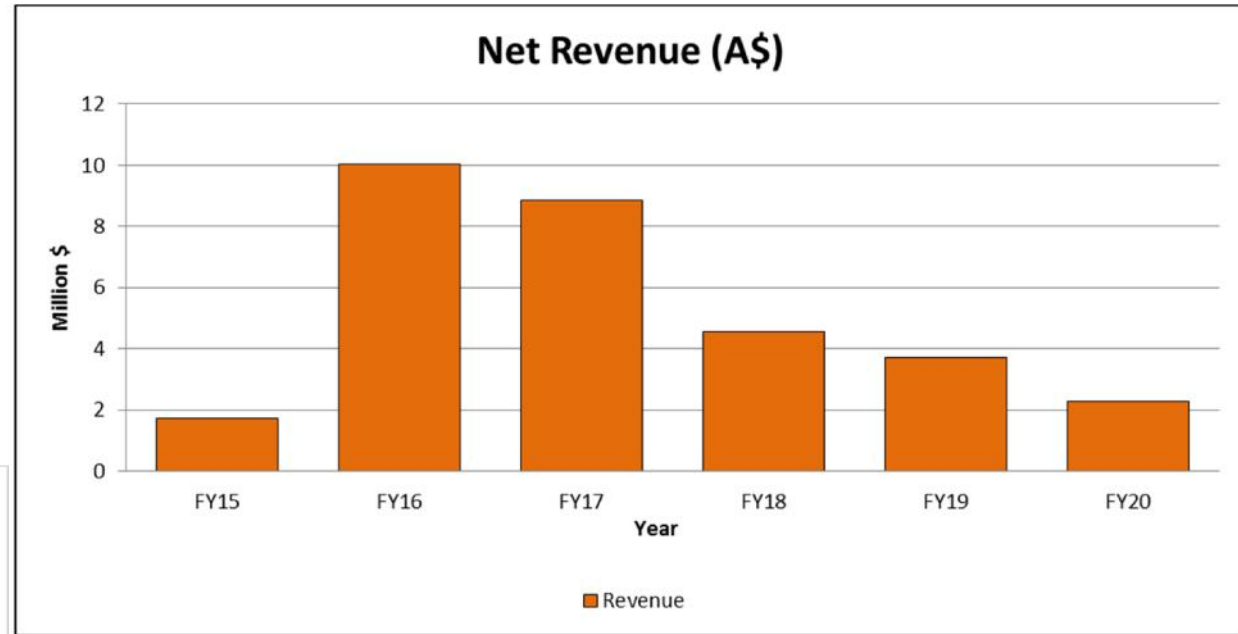
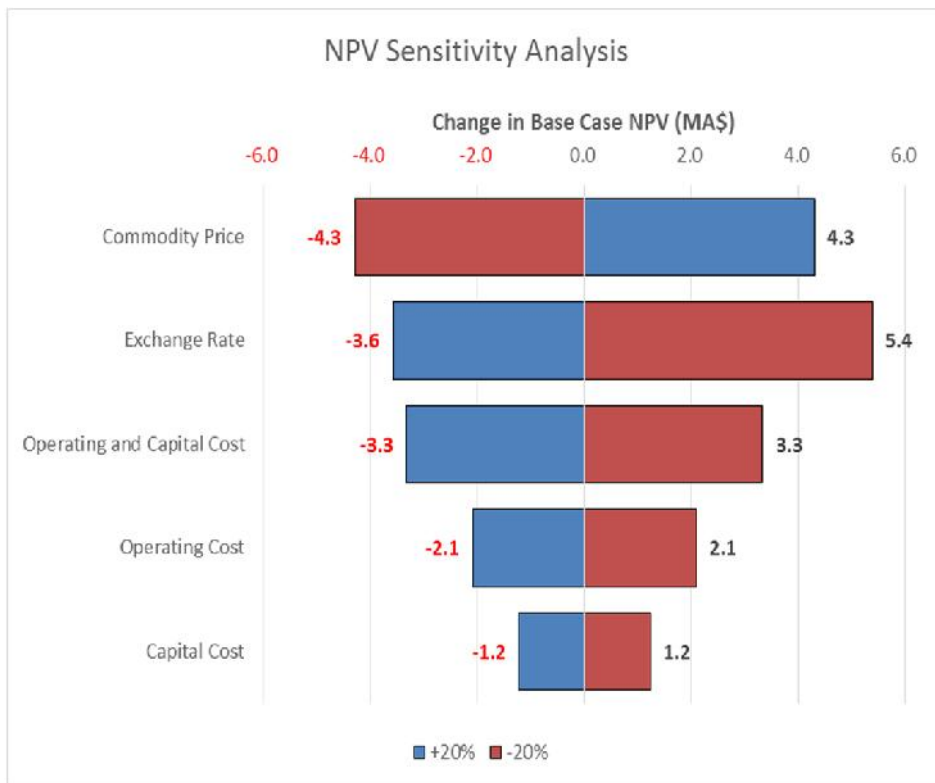




Urquhart Point HMS Project Financial Metrics

Key Metrics

Parameter	Quantity
NPV _{10%}	A\$4.9M
IRR	69%
Mine life	4.9 years
Capex estimate	A\$6.51M
Undiscounted cash-flow (after CAPEX)EBITDA	A\$7.3M



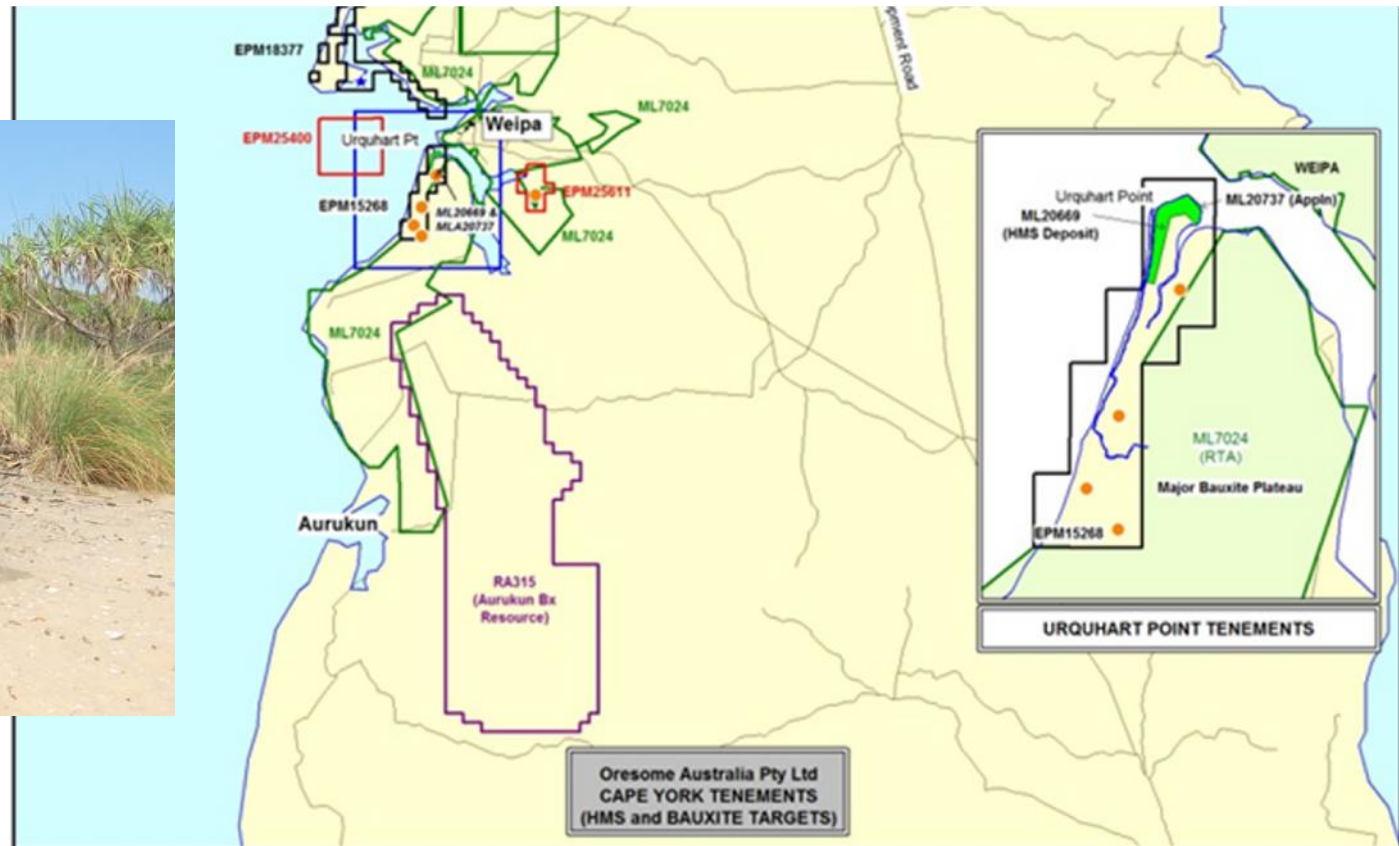


Urquhart Point HMS & Bx Project (near Weipa – Hub 1)

- Fully permitted granted ML (green) covering Urquhart Pt HMS Resource/Reserve
- Urquhart Point EPM15268 with bauxite targets
- Urquhart Pt Tenements adjacent to huge bauxite resources held by RTA (South of Embley) & Qld Gov (Aurukun) Bx deposits
- Potential for accessing third party bauxite using Urquhart Pt barging/shipping infrastructure will be investigated



**Working with Traditional Owners
from exploration to production**



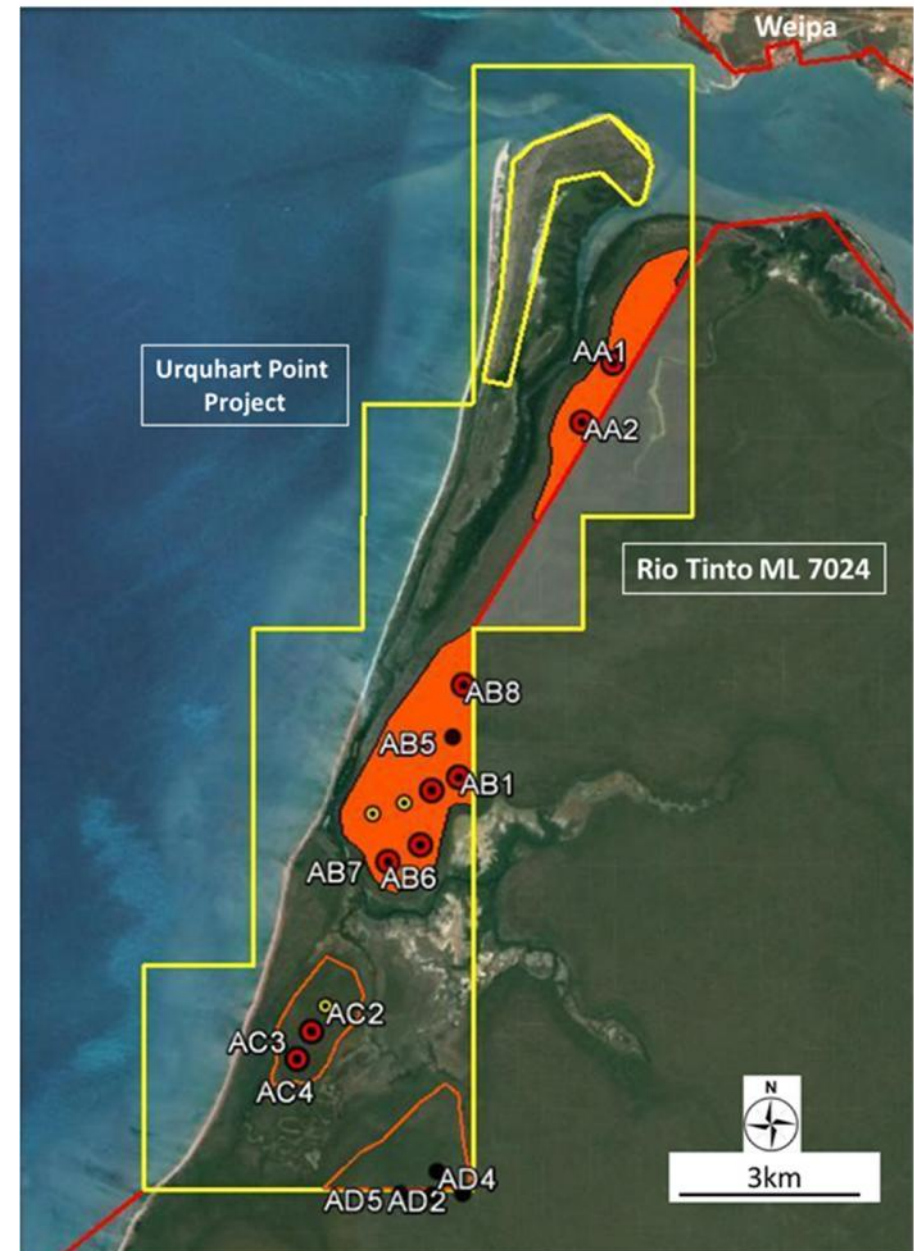
Dual HMS & Bauxite Focus at Urquhart Point

- Urquhart Point EPM15268 contains a granted Mining Lease (ML) covering the HMS Resource and also edges of a major bauxite plateau
- 4 Bx Plateau target areas A, B, C, D, orange polygons showing priority Exploration Targets* 5-10Mt Bauxite
- Best areas from initial sampling was Areas A & B, covering 8km² – Follow-up drilling Planned September

Area B best result (8 auger holes) recorded
57% Al₂O₃ & 6% SiO₂

Area A best result (2 auger holes) recorded
53% Al₂O₃ & 12% SiO₂

- Potential for DSO Bauxite using proposed Urquhart Pt HMS barge-ship infrastructure
- Urquhart Pt is very strategically located at tip of a major undeveloped bauxite plateau held by third parties (RTA & Qld Gov)



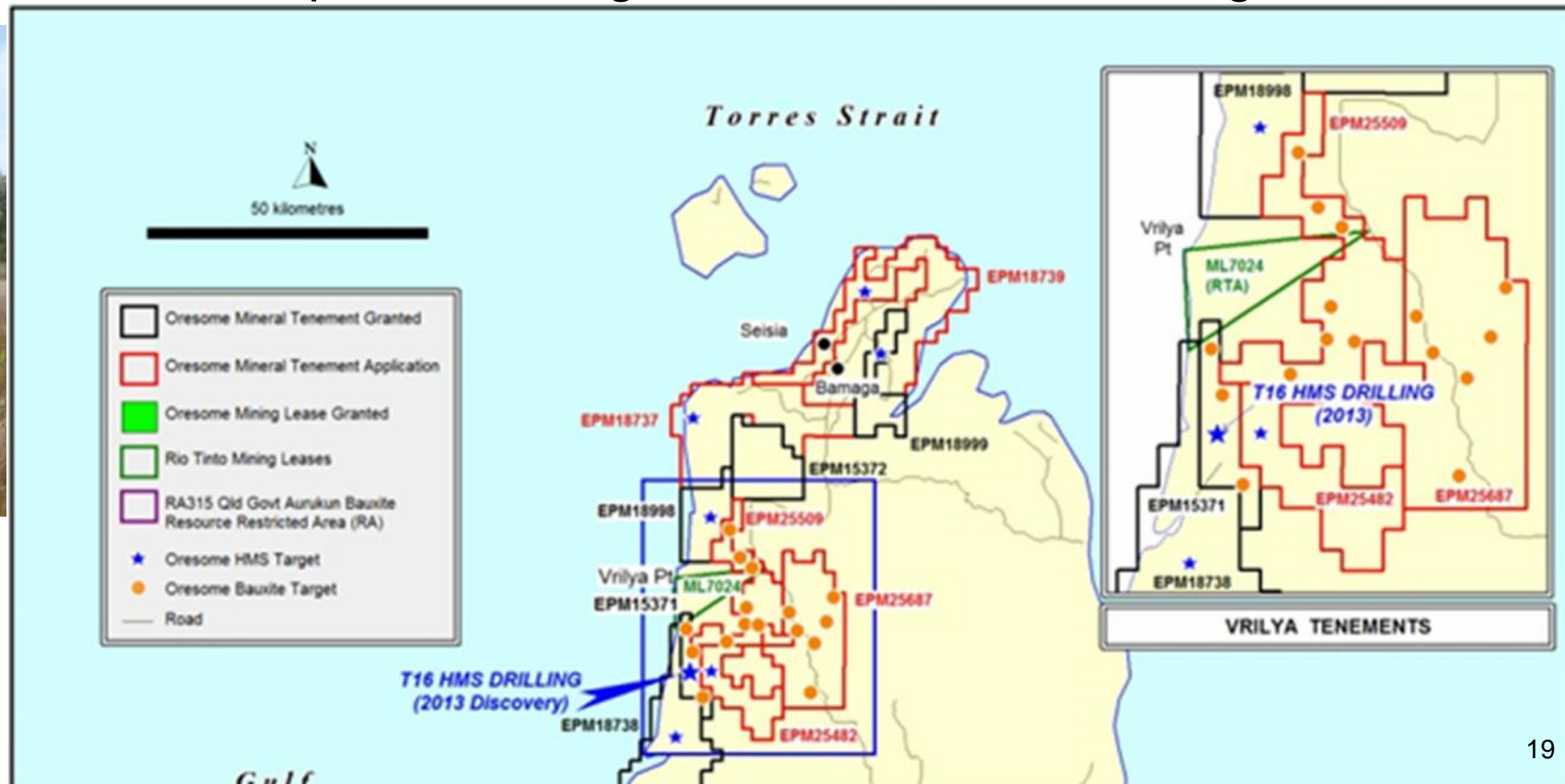


Vrilya Point HMS & Bx Project (160km N Weipa – Hub 2)

- RIO ML (green) covering Vrilya Pt Bauxite deposits
- 5 MLM EPM/EPMA's near Vrilya Pt cover numerous priority HMS & Bx targets
- Extensive Bx areas within tenure – need to establish quantity & quality by drilling
- Very good potential for very large Zircon rich HMS deposits
- Combined Vrilya Bauxite Exploration Target* of 42Mt to 128Mt Range *See table 1, Page 30*



* **Exploration Target** - The potential quantity and grade of the bauxite 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.





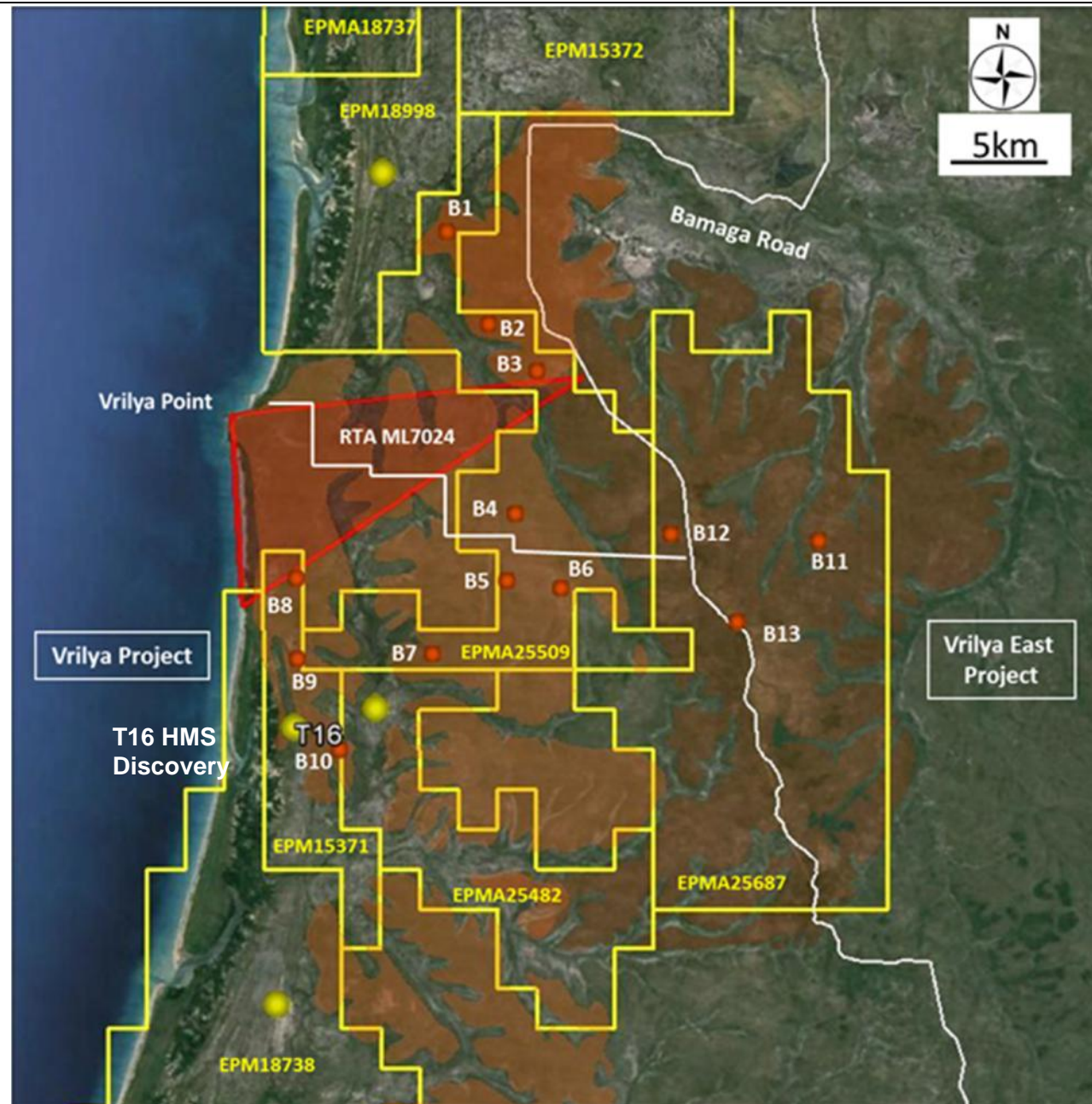
Vrilya & Vrilya East Project Exploration Targets

Vrilya & Vrilya East Project Tenements with outline of Government and Oresome mapped laterite/Bx plateaus (orange colour)

13 Identified bauxite Exploration Targets (**Orange** circles) & regional HMS exploration targets (**Yellow** Circles).



Photo from helicopter showing extensive Vrilya East bauxite laterite plateaus targeted for grid drilling



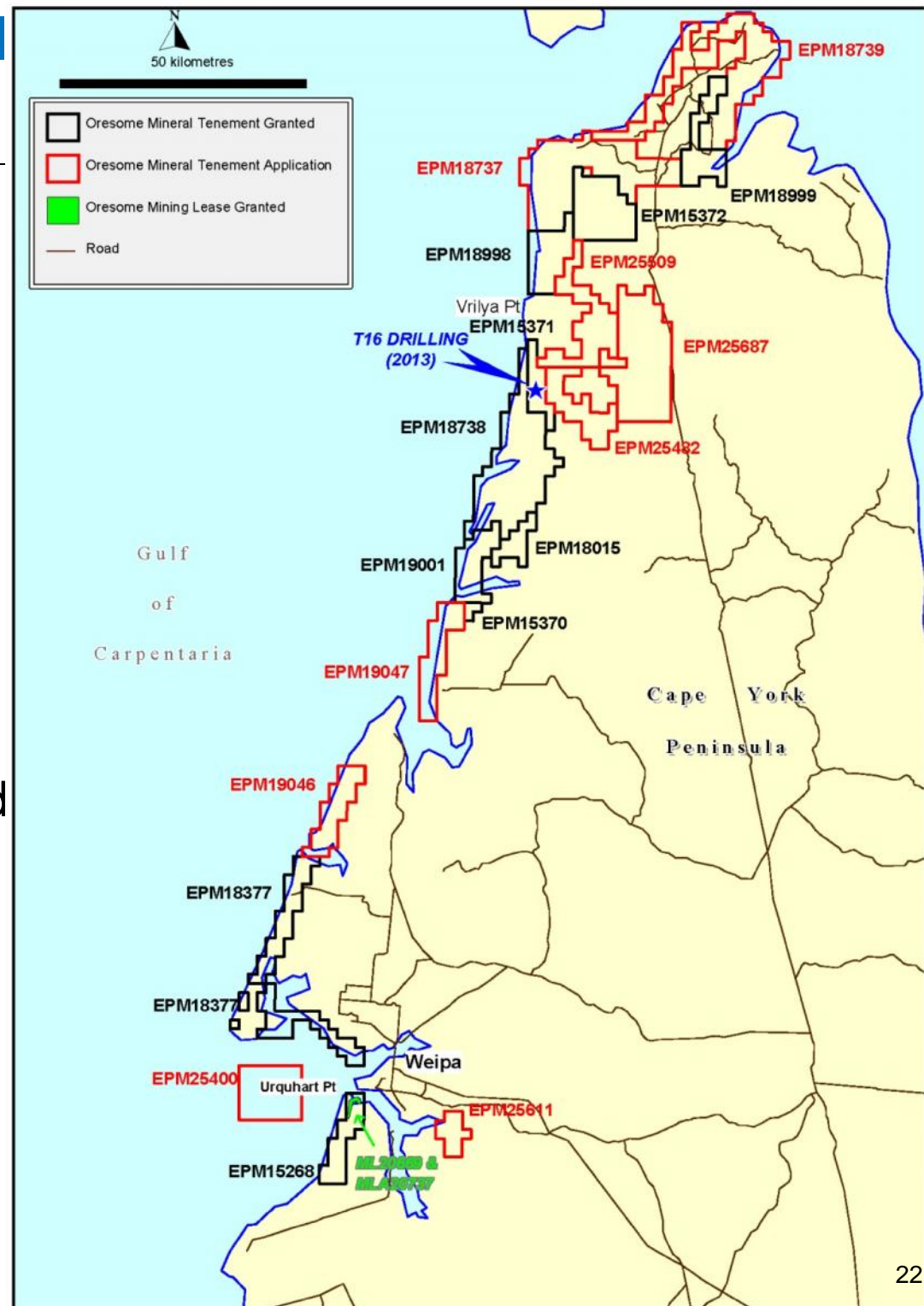
1. Excellent scope to define major HMS & Bauxite deposits.
2. Typically HMS & Bauxite deposits/projects are located close to each other and therefore potentially sharing and integrating exploration, feasibility, development, infrastructure and future costs.
3. Urquhart Point is proximate to large bauxite deposits (Rio & QLD Govt). There may be an opportunity to use the Urquhart Point infrastructure, established local relationships and existing Mining Leases to facilitate a bauxite mining, barging and shipping operation from Urquhart Point.





Huge Regional HMS Potential - Starting with T16

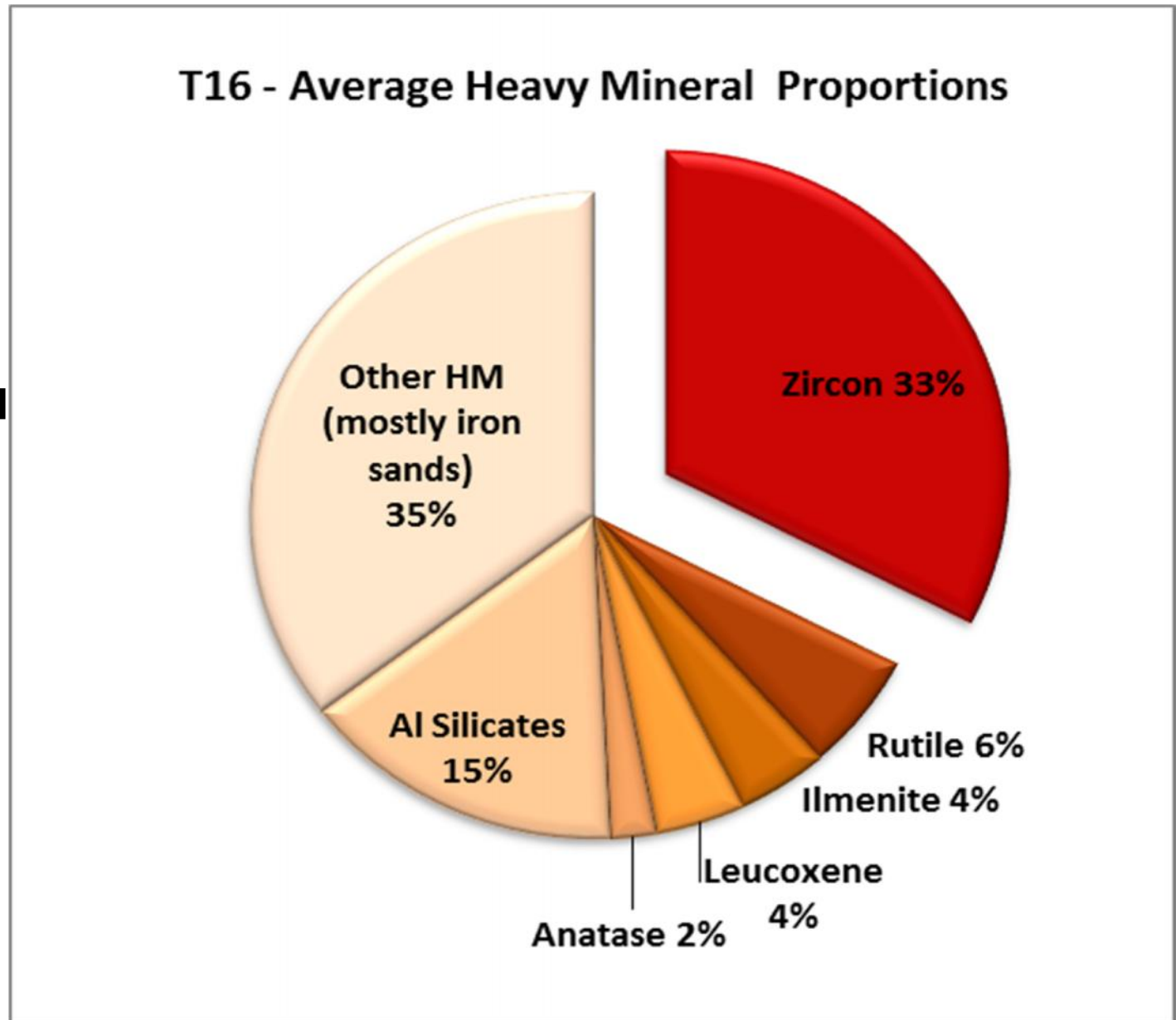
- 2,500 sq km prospective exploration tenure
- Highly prospective for HMS & Bauxite deposits
- 300 km coastal belt (near Weipa to the tip of CYP)
- T16 Regional project 160km N of Urquhart Point – first regional target tested – resulted in Discovery
- T16 is one of many targets (>20) along 300km of coastal belt from Weipa to tip Cape York





Summary of the T16 HM Assemblage Analysis of Composited Samples of 35 drill holes (Zircon rich 33% of HM, 16% Ti Minerals : 49% VHM)

- HM Assemblage 40% VHM
- 33% high quality Zircon



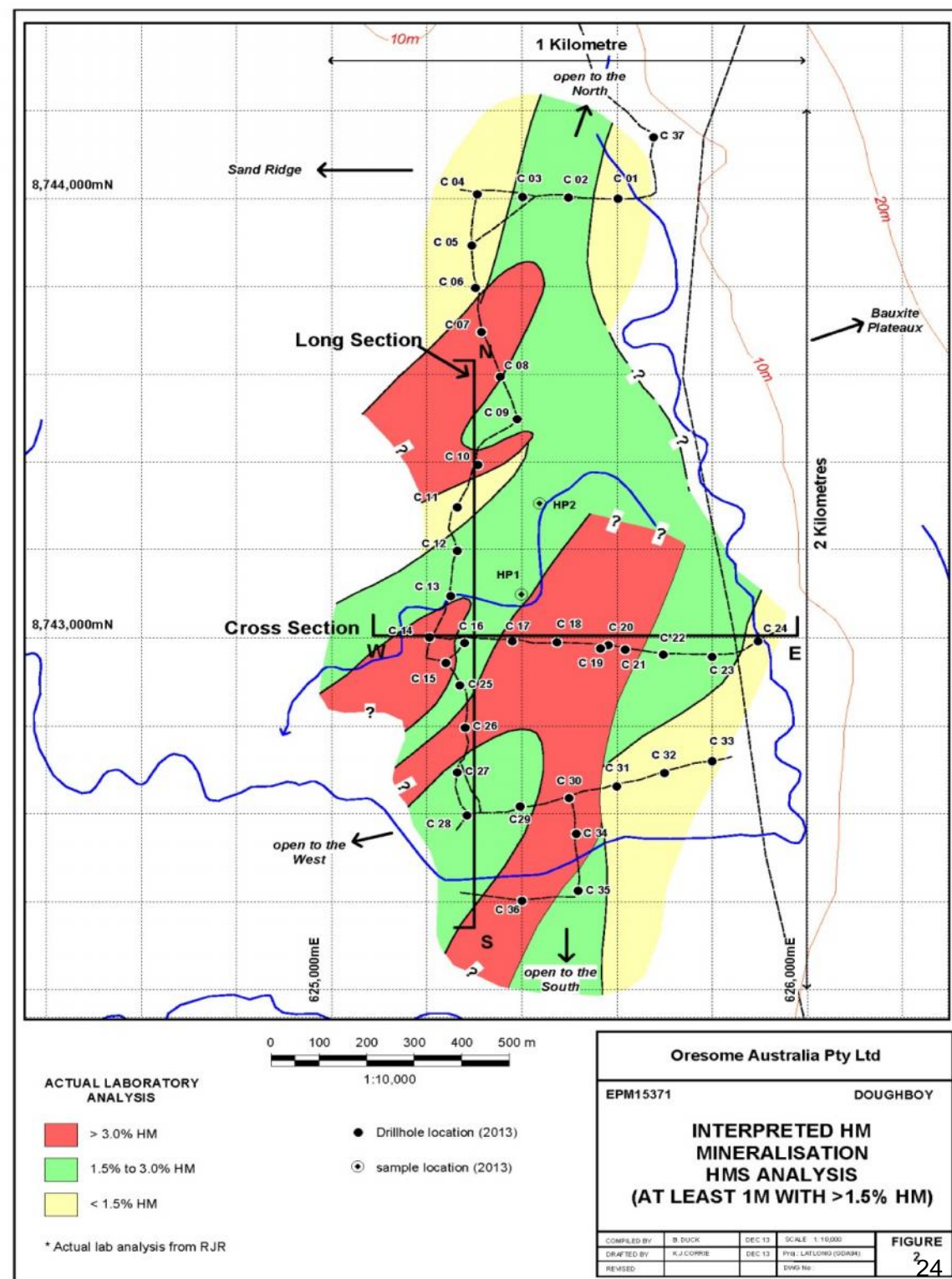


T16 HMS Discovery

- Significant mineralisation drilled over 1.8km x 800m area open in most directions
- All 36 holes intersected significant HM mineralisation (>1%HM)
- 49% HM is Zircon & Ti Mineral
- All 36 auger holes drilled (average depth 3.7m) on T16 recorded significant (HM) mineralisation.
- 24 holes ended with samples recording over 1% HM.
- T16 HM mineralisation is within fine quartz sand with generally low slimes, average 1.7%HM, HM containing 33% Zircon, 16% Ti Minerals (49% VHM)
- Only a small portion of the total T16 prospect area has to date been drilled.

For further information see ASX Release dated 22 January 2014

ASX:MLM



Simple Mine-Barge-Ship Strategy (1)

- Simple shallow dig, basic processing, truck, barge, ship HM Con & Bx
- Low Capex, low start up cost, relatively quick startup (start small & grow)
- Focus only on accessible HMS & DSO Bauxite deposits (coastal)
- Close to bargable river-creek/mouths & protected deep waters (ships)



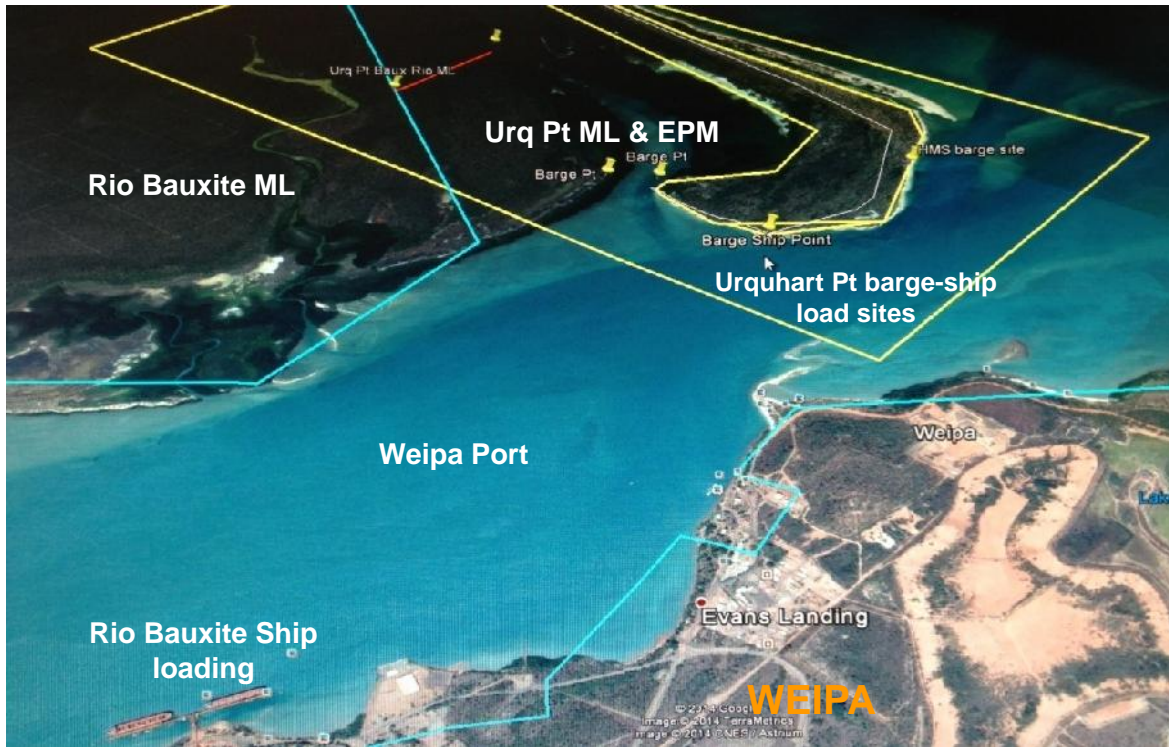
Barge in deep ship channel next to Urquhart Pt



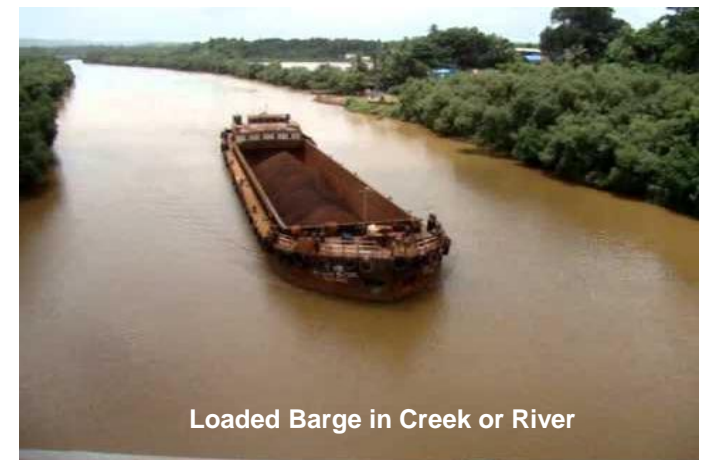
Barge in landed drill rig on Urquhart Pt beach

Simple Mine-Barge-Ship Strategy (2)

4 Photos that encapsulate strategy



Barge in navigable creek or river





Bauxite Market Outlook - Indonesian Bx Bans, Chinese Imports Fall, Forecasts Increasing Demand & Price

Chinese bauxite imports fell +70% after Indonesian export bans & taxes took effect



Sources: C&M, MBC & China Customs

Indonesian supply collapsed after 12 January 2014 bans & export tax increased from 20% to 50% . AUSTRALIA'S

- ✓ Increasing bauxite demand and prices are expected to intensify due to the simultaneous major reduction in bauxite supply from Indonesia and India, and increased demand for alumina to supply rising aluminium production and consumption in China, India and Middle East.



SCONI Scandium-Cobalt-Nickel Tri-metal Project

SCONI
Scandium • Cobalt • Nickel



- ✓ Greenvale – Ideal location
- ✓ Established JORC Ni-Co & Sc laterite Resources – 89Mt combined resources containing 514kt Ni, 55kt Co, 4,300t Sc metals (see Tables back this presentation p 32-36)
- ✓ Historical Greenvale nickel mine site - Mined 1974 – 92 produced 40Mt @ 1.56% Ni, 0.12% Co (containing 624,000t Ni & 48,000t Co)
- ✓ Low sovereign risk country
- ✓ Close proximity to industrial services & port in Townsville
- ✓ Good metallurgical ore types, own Sc recovery IP
- ✓ Low environmental impact & strong community support

“Seeking Partners”



METALLICA MINERALS

THANK YOU

METALLICA SUBSIDIARIES

NORNICO PTY LTD | 100% MLM
GREENVALE OPERATIONS PTY LTD | MLM 100%
LUCKY BREAK OPERATIONS PTY LTD | MLM 100%
SCANDIUM PTY LTD | MLM 100%
PHOENIX LIME PTY LTD | MLM 100%
ORESOME AUSTRALIA PTY LTD | MLM 100%

ASX:MLM



Table 1 : Oresome – Current Regional Bauxite Exploration Targets*

Project	Permit	Discrete Targets	Insitu mineralisation tonnage range (Mt) ⁽²⁾	Total Al ₂ O ₃ (%) ⁽³⁾	Total SiO ₂ (%) ⁽³⁾
Urquhart Point					
	EPM15268	2	5 to 10	43-55	5-18
Vrilya	EPM15371	3	2 to 6	40-47	insufficient data ¹
	EPMA25509	7	12 to 36	40-48	10-19 ¹
Vrilya East					
	EPMA25687	3	28 to 86	40-43	insufficient data ¹
TOTAL		15	47 to 138		

¹ previous exploration reports SiO₂ data incomplete

² range based on measured areas of target plateaus, minimum thickness of ≥0.5m bauxite, estimated average thickness of 1.5m from previous exploration data and bulk density value of 1.5

³ based on screened sample assay results.

***Exploration Target** - The potential quantity and grade of the bauxite 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.

For Further Information on Cape York Bauxite exploration and exploration targets see – *ASX Release dated 11 July 2014.*



Annual Urquhart Point Operating Cost Estimate

Parameter	Units	Quantity	Comment
Mining	A\$/ROM t	4.12	Mining fleet and fuel Mining salaries Equipment leasing
Processing	A\$/ROM t	3.64	Plant salaries Generator Plant consumables
Other	A\$/ROM t	1.98	Admin salary Travel & accommodation
Ship loading	A\$/ROM t	0.93	Tug and barge rental Barge loading and stevedores. Unit cost is \$12.0/tonne of concentrate
Off-site overheads	A\$/ROM t	1.50	General manager and commercial manager
Diesel Fuel Rebate	A\$/t ROM	-0.41	Diesel fuel rebate of A\$0.37 per litre
Tenement Expenses	A\$/t ROM	0.20	Tenement Rent, EPA Return and Permitting
Operating Cost Contingency	A\$/t ROM	0.56	Approximately 5% of opex
Total	A\$/ROM	11.02 <i>(direct)</i> 12.52 <i>(inclusive of off-site overheads)</i>	Total inclusive of estimated concentrate volume

- The operating costs for the plant have been considered across various areas such as fuel, labour, maintenance, power, equipment hire and transport. The major cost to run the plant is in the fuel cost, with the major component of the consumption being the fuel required to provide power to the site via generators.
- The operating cost has been estimated from first principles. The total operating cost is a mix of mining, processing, fixed and ship loading costs

For further details see ASX Release 21 October 2013 **Lucknow Scandium Resource**

Lucknow Scandium Resource using a 120g/t COG (excluding Ni-Co Resource)						
Description	Tonnes (Mt)	Sc (g/t)	Ni (%)	Co (%)	Fe (%)	Mg (%)
Measured	0.6	231	0.30	0.08	31.6	1.6
Indicated	5.1	191	0.23	0.06	34.9	1.1
Inferred	0.04	130	0.10	0.01	29.5	0.5
Totals	5.7	195	0.23	0.06	34.5	1.1

Competent Person's Statement

The SCONI Scandium-Cobalt-Nickel project Mineral Resource estimate(s) is based upon and accurately reflects data compiled, validated or supervised by Mr John Horton, Principal Geologist FAusIMM (CP) who is a full time employee of Golder Associates Pty Ltd. Mr Horton has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Horton consents to the inclusion of this information in the form and context in which it appears in this document.

For full details on the SCONI scandium and nickel cobalt resource see Metallica ASX release – 21 October 2013



Southern Deposits Sc & Ni-Co Resource Statement

JORC 2012 - [For further details see ASX Release 21 October 2013](#)



Southern Deposits – COG NiEq (Ni + 1.5Co + 0.01Sc) = 0.7%								
Description	Tonnes (Mt)	Ni (%)	Co (%)	Sc (g/t)	Ni Metal (kt)	Co Metal (kt)	Sc Metal (t)	Equivalent Sc Oxide (t)
Kokomo								
Measured	2.2	0.57	0.11	80	12.2	2.5	173	265
Indicated	17.2	0.56	0.09	49	95.8	15.5	843	1,292
Inferred	10.2	0.36	0.04	59	36.7	4.5	603	924
Totals	29.5	0.49	0.08	55	144.8	22.4	1,619	2,483
Greenvale (Insitu & Dumps)								
Measured	5.4	0.77	0.06	39	41.6	3.3	208	319
Indicated	10.5	0.70	0.05	36	74.3	5.3	379	581
Inferred	11.5	0.42	0.03	44	48.8	4.0	509	780
Totals	27.4	0.60	0.04	40	164.8	12.7	1,097	1,682
Lucknow								
Measured	1.7	0.45	0.10	103	7.9	1.8	180	276
Indicated	10.6	0.27	0.07	128	28.5	7.2	1,357	2,081
Inferred	1.5	0.40	0.07	41	5.8	1.0	60	92
Totals	13.8	0.31	0.07	116	42.2	10.0	1,597	2,449
Combined Southern Deposits (COG 0.7%)								
Measured	9.3	0.66	0.08	60	61.7	7.6	561	860
Indicated	38.3	0.52	0.07	67	198.7	28.0	2,580	3,957
Inferred	23.2	0.39	0.04	51	91.4	9.6	1,172	1,797
Totals	70.7	0.50	0.06	61	351.8	45.2	4,313	6,615

Southern Deposits – COG NiEq = 1.0% (Ni + 1.5 Co + 0.01 Sc)								
Description	Tonnes (Mt)	Ni (%)	Co (%)	Sc (g/t)	Ni Metal (kt)	Co Metal (kt)	Sc Metal (t)	Equivalent Sc Oxide (t)
Combined Southern Deposits (COG 1.0%)								
Measured	6.2	0.79	0.10	73	48.8	6.2	451	691
Indicated	23.2	0.56	0.08	92	129.5	19.5	2,140	3,282
Inferred	6.6	0.49	0.06	67	32.9	3.9	445	682
Totals	36.1	0.59	0.08	84	211.2	29.5	3,036	4,656



Northern Deposits Ni-Co Resource Statement



Northern Deposits – COG NiEq (Ni + 1.5Co) = 0.7%					
Description	Tonnes (Mt)	Ni (%)	Co (%)	Ni Metal (kt)	Co Metal (kt)
Bell Creek South					
Measured	7.8	0.96	0.07	75.5	5.1
Indicated	0.1	0.81	0.05	1.2	0.1
Totals	8.0	0.96	0.06	76.7	5.2
Bell Creek North					
Indicated	2.0	0.86	0.03	16.8	0.5
Totals	2.0	0.86	0.03	16.8	0.5
Bell Creek Northwest					
Indicated	2.5	0.81	0.05	20.1	1.2
Totals	2.5	0.81	0.05	20.1	1.2
The Neck					
Indicated	0.4	0.84	0.03	3.5	0.1
Totals	0.4	0.84	0.03	3.5	0.1
Minnamoolka					
Indicated	4.7	0.82	0.05	38.3	2.1
Inferred	0.9	0.78	0.04	6.7	0.3
Totals	5.5	0.82	0.04	45.0	2.4
Combined Northern Deposits					
Measured	7.8	0.96	0.07	75.5	5.1
Indicated	9.7	0.83	0.04	79.9	4.0
Inferred	0.9	0.78	0.04	6.7	0.3
Totals	18.4	0.88	0.05	162.1	9.4

Notes to Resource Statements

1. Scandium is typically sold as an oxide product. Hence the equivalent scandium oxide has been calculated at 1.534 times contained scandium metal.
2. The resources for the Southern Deposits of Lucknow, Greenvale and Kokomo are reported at a cut-off grade (COG) of NiEq 0.7% (Ni + 1.5Co + 0.01Sc). This NiEq COG formula has been calculated using commodity prices of US\$10/lb nickel, US\$15/lb cobalt and US\$1,500/kg scandium oxide, and recoveries of 90% for all three metals. Metallica indicates that the metallurgical testwork to date provides reasonable potential for the nickel, cobalt and scandium to be recovered at similar recoveries to those achieved in the testwork.
3. The Mineral Resources for the Northern Deposits of Bell Creek South, Bell Creek North, Bell Creek Northwest, Minnamoolka and The Neck are reported at a COG of NiEq 0.7% (Ni + 1.5Co). This NiEq COG formula has been calculated using commodity prices of US\$10/lb nickel and US\$15/lb cobalt, and recoveries of 90% for both nickel and cobalt.
4. No scandium content was estimated in the Northern deposits as Sc assays are generally not available. From limited data there is good indication the Northern deposits are relatively low in Sc (generally between 5 and 30 g/t Sc).
5. Variations in total may be present due to rounding factors.
6. For further details on the SCONI scandium and nickel cobalt resource see Metallica ASX release SCONI Mineral Resource upgrade – 21 October 2013

Technical information and exploration results contained in this report have been compiled by Metallica Minerals Ltd full time employee Andrew Gillies B.Sc MAusIMM in the position of Managing Director. Mr Gillies has sufficient experience that is relevant to the style of mineralisation being reported on to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Minerals Resources and Ore Reserves. Mr Gillies consents to the inclusion in this report of the matters based on the information in the form and context in which it appears

The SCONI Scandium-Cobalt-Nickel project Mineral Resource estimate(s) is based upon and accurately reflects data compiled, validated or supervised by Mr John Horton, Principal Geologist FAusIMM (CP) and is a full time employee of Golder Associates Pty Ltd. Mr Horton has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Horton consents to the inclusion of this information in the form and context in which it appears in this presentation.

For further details see ASX Release 21 October 2013



Combined SCONI Mineral Resource

For further details see ASX Release 21 October 2013

Total SCONI Project Mineral Resources - COG NiEq (Ni + 1.5Co + 0.01Sc) = 0.7%								
Deposit	Tonnes (Mt)	Nickel (Ni) %	Cobalt (Co) %	Scandium (Sc) g/t	Ni Metal (kt)	Co Metal (kt)	Sc Metal (t)	Sc Oxide (t)
Kokomo								
Total	29.5	0.49	0.08	55	144.8	22.4	1,619	2,483
Greenvale In-situ								
Total	16.3	0.73	0.05	38	118.8	8.9	614	941
Greenvale dumps and stockpiles								
Total	11.1	0.42	0.03	44	46	3.8	483	741
Lucknow								
Total	13.8	0.31	0.07	116	42.2	10	1,597	2,449
Combined SCONI South Project Resource								
Measured	9.3	0.66	0.08	60	61.7	7.6	561	860
Indicated	38.3	0.52	0.07	67	198.7	28.0	2,580	3,956
Inferred	23.2	0.39	0.04	51	91.4	9.6	1,172	1,798
Total	70.7	0.50	0.06	61	351.8	45.2	4,313	6,615
Bell Creek South								
Total	8.0	0.96	0.06	-	76.7	5.2	-	-
Bell Creek North								
Total	2.0	0.96	0.03	-	16.8	0.5	-	-
Bell Creek Northwest								
Total	2.5	0.81	0.05	-	20.1	1.2	-	-
The Neck (part Bell Creek)								
Total	0.4	0.84	0.03	-	3.5	0.1	-	-
Minnamoolka								
Total	5.5	0.82	0.04	-	45	2.4	-	-
Combined SCONI Northern deposits Resource								
Measured	7.8	0.96	0.07	-	75.5	5.1	-	-
Indicated	9.7	0.83	0.04	-	79.9	4.0	-	-
Inferred	0.9	0.78	0.04	-	6.7	0.3	-	-
Total	18.4	0.88	0.05	-	162.1	9.4	-	-
Combined SCONI (Southern and Northern deposits) Resource								
Measured	17.1	0.8	0.07	33	137.3	12.7	561	860
Indicated	48.0	0.58	0.07	54	278.6	32.0	2,580	3,957
Inferred	24.0	0.41	0.04	49	98.1	9.9	1,172	1,797
Total	89.1	0.58	0.06	48	514	54.5	4,313	6,615

Northern deposits Sc grade is typically low (5-30 g/t Sc), therefore no Sc Resource estimated. Resultant Sc grade for combined SCONI (South and North) Project is therefore low.

Variations in totals may be due to rounding factors.

Total SCONI Project Mineral Resources - COG NiEq (Ni + 1.5Co + 0.01Sc) = 1.0%								
Deposit	Tonnes (Mt)	Nickel (Ni) %	Cobalt (Co) %	Scandium (Sc) g/t	Ni Metal (kt)	Co Metal (kt)	Sc Metal (t)	Sc Oxide (t)
Kokomo								
Total	13.9	0.56	0.10	80	77.4	14.2	1,108	1,699
Greenvale In-situ								
Total	9.5	0.95	0.07	39	90.3	6.9	365	560
Greenvale dumps and stockpiles								
Total	2.6	0.58	0.05	40	15.1	1.3	103	158
Lucknow								
Total	10.1	0.28	0.07	145	28.4	7.3	1,459	2,238
Combined SCONI South Project Resource								
Measured	6.2	0.79	0.10	73	48.8	6.2	451	691
Indicated	23.2	0.56	0.08	92	129.5	19.5	2,140	3,281
Inferred	6.6	0.49	0.06	67	32.9	3.9	445	682
Total	36.1	0.59	0.08	84	211.2	29.5	3,036	4,656
Bell Creek South								
Total	3.6	1.21	0.08	-	43.3	3.0	-	-
Bell Creek North								
Total	0.4	1.16	0.04	-	4.8	0.1	-	-
Bell Creek Northwest								
Total	0.4	1.05	0.06	-	4.5	0.3	-	-
The Neck (part Bell Creek)								
Total	0.1	1.17	0.03	-	0.9	0.02	-	-
Minnamoolka								
Total	1.0	1.07	0.08	-	11.0	0.8	-	-
Combined SCONI Northern deposits Resource								
Measured	3.6	1.21	0.08	-	43.0	3.0	-	-
Indicated	1.9	1.09	0.06	-	20.4	1.2	-	-
Inferred	0.1	1.04	0.07	-	1.0	0.1	-	-
Total	5.5	1.16	0.08	-	64.5	4.3	-	-
Combined SCONI (Southern and Northern deposits) Resource								
Measured	9.8	0.94	0.09	46	91.9	9.2	451	691
Indicated	25.1	0.60	0.08	85	149.9	20.7	2,140	3,281
Inferred	6.7	0.50	0.06	66	33.9	3.9	445	682
Total	41.6	0.66	0.08	73	275.7	33.8	3,036	4,656

Northern deposits Sc grade is typically low (5-30 g/t Sc), therefore no Sc Resource estimated. Resultant Sc grade for combined SCONI (South and North) Project is therefore low.

Variations in totals may be due to rounding factors.