METALLICA MINERALS LIMITED
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AREA B URQUHART POINT DRILLING INTERSECTS ADDITIONAL BAUXITE

MAJOR SHIFT IN GLOBAL BAUXITE SUPPLY FAVOURS HIGHER AUSTRALIAN EXPORTS FROM CAPE YORK – METALLICA

Equity market sentiment in the seaborne bulk commodities trades will swing intensely behind bauxite for most of 2015 as major changes in bauxite's supply chain impact fully this year, according to Brisbane's Metallica Minerals Limited (ASX: "MLM").

The Company outlined its market assessment today when releasing a second round of favourable assay results from new drilling of bauxite targets proximal to where it is constructing a heavy mineral sands (HMS) mine at near Weipa on Queensland's Cape York.

These new bauxite results, together with Area A's discovery (*Refer to ASX Release dated 21 January 2015)* are from Metallica's broader Urquhart Point project (Figure 1). The Area B drilling consists of 62 holes and highlight the following:

- Pisolitic bauxite mineralisation with an average thickness of 1.4m identified in 40 of the 62 holes drilled.
- Grades of up to 57.92% aluminium oxide (Al_2O_3) and as low as 6.04% silicon dioxide (SiO_2) were returned with an overall average grade of 51.58% Al_2O_3 and 12.08% SiO_2.
- This drilling has defined a pisolitic bauxite area in excess of 5.0km^2 with approximate dimensions of 3.1km x 1.6km (see Figure 2).
- The grades are based on beneficiated screening (+1.2mm fraction) returning an average yield of 55.4%, see Table 1 and Appendix 1.

Area B is located 3km south west of Area A and due south of the Urquhart Point HMS mine, currently under construction by a Metallica joint venture and scheduled to commence production in mid-2015.

The new Area B results, Metallica Managing Director, Mr Andrew Gillies says, continue to build momentum for an expanded bauxite inventory around the new HMS mine – and come at a time, of a "structural change happening in global traded bauxite shipments".

"These structural supply changes have all the hallmarks of favouring proven bauxite provinces such as Cape York and its new projects like Urquhart Point which can deliver robust bauxite grades and volumes into China and South East Asian consumers using the leverage of close proximity, low sovereign risk, sustainability and high grades," he said.

"Along with the new HMS mine, Metallica is focussed on the proving up and possible development of Area A and Area B's bauxite as a value-add priority for 2015 as the newly identified bauxite areas potentially bring many synergistic and cost saving opportunities to the new Urquhart Point HMS mine undertaking."

The Company's Urquhart Point project, including Area A and B, is barely three kilometres south of the bauxite port of Weipa. Because of the favourable nature of the coast and waters around its tenements, Metallica plans to use a simple mining, processing, barging and shipping model to service its Urquhart Point HMS and potential bauxite transhipment infrastructure.

Mr Gillies said Area A and Area B's emerging picture as a new supply point, including possible Direct Shipping Ore, comes at a time of increasing bauxite demand and where prices are expected to continue to intensify in 2015 due to a simultaneous major reduction in bauxite supply and a recovery in the alumina market.

"With forecasts already in 2015 of likely significant increases in aluminium prices as Chinese producers struggle to contain costs, I have no doubt that bauxite will emerge as a Top Tier resource commodity for 2015," Mr Gillies said.

"Bauxite's 2015 market fundamentals are hard to challenge.

"While bauxite has historically been the poor performer relative to other bulks (e.g. coal and iron ore) and all metals during the boom years post 2003-2004, the tide is turning, underpinned by Indonesia's sustaining commitment to ban bauxite exports, and India's decision to increase bauxite tariffs.

"I believe, despite some comment otherwise, that it is unlikely that Indonesia will reverse its bauxite export ban. Mr. Gillies stated

"This decision has been backed by the new President and upheld in December last year by its Constitutional Court. The move is demonstrating positive political and economic impacts – including new and higher in-country investment reportedly worth around $18 billion, mainly by China, in Indonesia's value-adding nickel, aluminium and manganese industries.

"The Philippines (nickel laterite) and India (bauxite and iron/coal) are reportedly also considering copying Indonesia's value-add mineral strategy. That can only compound China's looming bauxite shortage and underpin Cape York's untapped bauxite potential above its historic export levels."

Indonesia, prior to imposing its ban, was the largest external provider of bauxite to China, the world's largest alumina producer and consumer, but a country short in bauxite.

Mr Gillies said the global market outcome of the confluence of these factors was an impetus to identify new bauxite supply – as even China, and its dwindling bauxite stockpiles over 2014, now faced a current bauxite import supply shortfall of 40-50 million tonnes per annum.

He said this rare and almost unprecedented shift in the bauxite market - to everyone's benefit except China – had yet to be fully appreciated by the Australian equities market and its sentiment to those local companies exposed to bauxite.

Details of Area B results:

The new Area B assays, received from the ALS Brisbane laboratory, from drill samples recovered during a drilling campaign completed in November last year at both Area A and Area B. 62 holes (total 303 m) were drilled at an average depth of 4.9m at Area B. The Area B drill results are summarised in Table 1 with drillhole locations and intercepts shown in Figures 1 and 2 respectively.

Project background:

The Urquhart Point Project is currently held 66.66% by Oresome Australia Pty. Ltd (a wholly owned subsidiary of Metallica Minerals), and 33.33% its Joint Venture partner, Ozore Resources Pty. Ltd. Ozore has injected $5m in funds into the Joint Venture, and upon funding a further $2.5 million, will hold a 50% interest in the Joint Venture (*Refer to ASX Release dated 1 August 2014).* In addition to Urquhart Point HMS project near Weipa, which has a granted mining lease over a shallow high grade HMS deposit, Oresome holds approximately a further 2,500km² of exploration tenements in the Western Cape York region, prospective for HMS and bauxite.

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Competent Person's Statement

The Technical information contained in this report has been compiled and/or supervised by Mr Andrew Gillies B.Sci (Geology) M.AusIMM (Managing Director of Metallica Minerals Ltd) who is a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (M.AusIMM). Mr Gillies has relevant experience in the mineralisation, exploration results, Exploration Targets and Resources estimates being reported on 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 Gillies consents to the inclusion of this information in the form and context in which it appears in this release.

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 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.

Caution regarding Forward Looking Statements

Certain statements made in this announcement contain or comprise certain forward-looking statements. Although Metallica believes that the estimates and expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in commodity prices and exchange rates and business and operational risk management. Metallica undertakes no obligation to update publically or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

*See attached respective **Table 1** JORC Code, 2012 Edition **Section 1** (Sampling Techniques and Data) and **Section 2** (Reporting of Exploration Results) for Urquhart Point drilling.*

Figure 1: Urquhart Point HMS & Bauxite project Area A & B drill hole locations

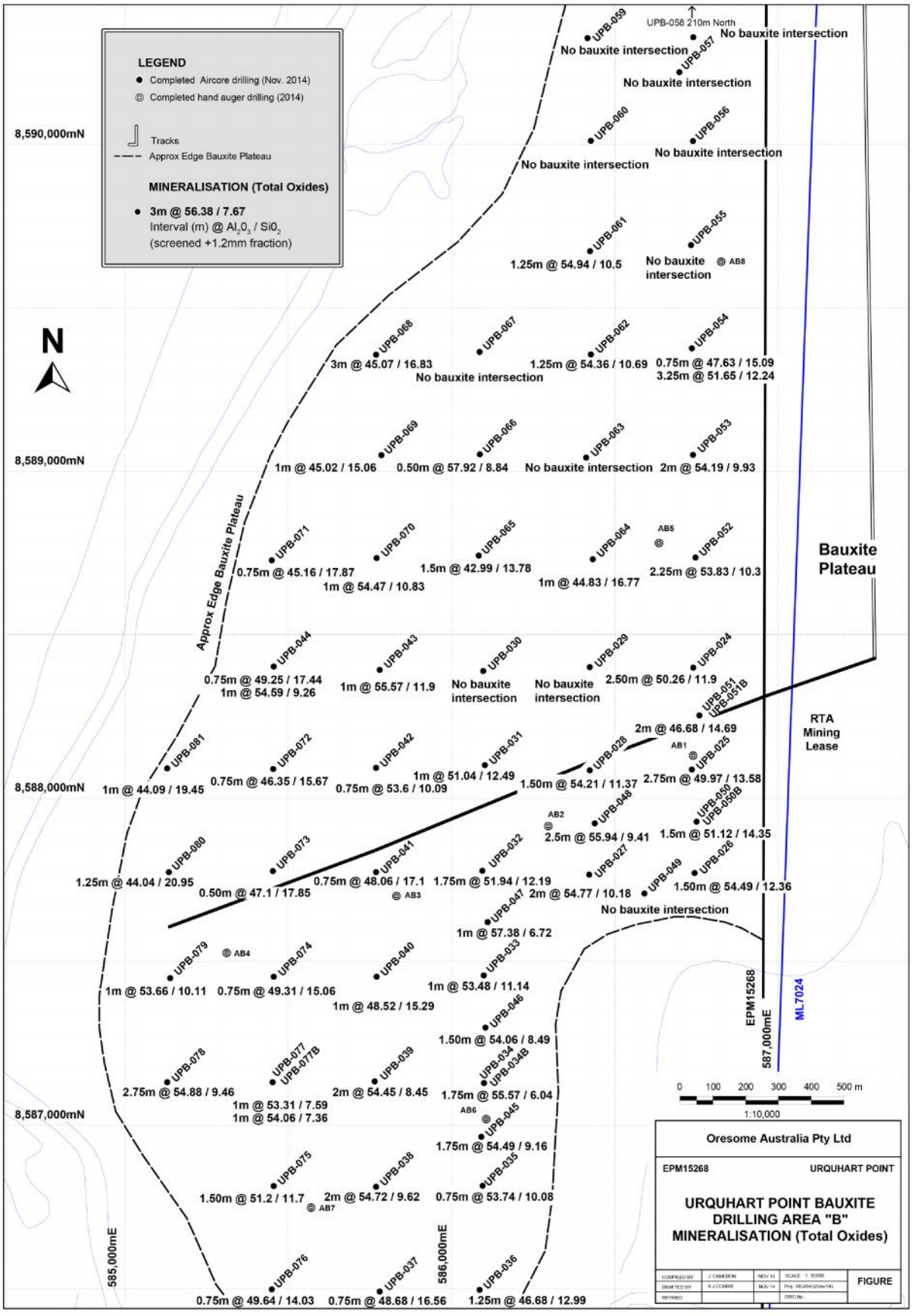

Figure 2: Area B drill hole locations and bauxite intercepts .

Table 1: EPM15268 Urquhart Point Bauxite Exploration Drillhole Results - Area B

Drill hole	Date Drilled	Easting MGA94 Z54	Northing MGA94 Z54	RL metres	Dip degrees	TD metres	Interval From metres	Interval To metres	Interval metres	Yield (+1.2mm) %	Al_2O_3 %	SiO_2%	Fe_2O_3%
UPB-024	3/11/2014	586745	8588401	10	-90	4.00	0.75	3.25	2.50	60.94	50.26	11.90	13.26
UPB-025	3/11/2014	586740	8588090	0	-90	5.00	1.00	3.75	2.75	57.38	49.97	13.58	12.21
UPB-026	3/11/2014	586748	8597772	11	-90	6.00	2.75	4.25	1.50	68.60	54.49	12.36	8.70
UPB-027	3/11/2014	586429	8587769	14	-90	6.00	1.25	3.25	2.00	66.91	54.77	10.18	8.72
UPB-028	3/11/2014	586428	8588086	16	-90	5.00	2.00	3.50	1.50	55.82	54.21	11.37	8.81
UPB-029	3/11/2014	586428	8588402	16	-90	6.00	No bauxite intersection						
UPB-030	3/11/2014	586102	8588390	13	-90	4.75	No bauxite intersection						
UPB-031	4/11/2014	586107	8588102	ND	-90	6.00	3.00	4.00	1.00	61.50	51.04	12.49	10.66
UPB-032	4/11/2014	585101	8587780	5	-90	4.50	1.75	3.50	1.75	55.90	51.94	12.19	10.14
UPB-033	4/11/2014	587458	8587458	4	-90	4.25	1.50	2.50	1.00	50.55	53.48	11.14	7.26
UPB-034	4/11/2014	586105	8587131	10	-90	4.75	0.75	2.50	1.75	66.23	55.57	6.04	8.94
UPB-034B	4/11/2014	586107	8587131	10	-90	3.00	Twin hole - samples retained not assayed						
UPB-035	4/11/2014	586095	8586813	13	-90	4.75	0.75	1.50	0.75	55.77	53.74	10.08	11.40
UPB-036	4/11/2014	586090	8586499	14	-90	3.00	0.75	2.00	1.25	63.82	46.68	12.99	17.19
UPB-037	4/11/2014	585786	8586492	17	-90	4.00	2.50	3.25	0.75	49.43	48.68	16.56	12.01
UPB-038	4/11/2014	585775	8586813	20	-90	5.00	1.75	3.75	2.00	55.95	54.72	9.62	9.77
UPB-039	4/11/2014	585773	8587134	18	-90	5.00	2.75	4.75	2.00	54.33	54.45	8.45	8.02
UPB-040	4/11/2014	585777	8587454	16	-90	5.00	3.00	4.00	1.00	30.85	48.52	15.29	11.89
UPB-041	4/11/2014	585773	8587775	17	-90	4.00	2.25	3.00	0.75	27.50	48.06	17.10	13.13
UPB-042	4/11/2014	585773	8588093	15	-90	3.00	1.50	2.25	0.75	56.87	53.60	10.09	10.93
UPB-043	4/11/2014	585786	8588395	18	-90	4.00	2.00	3.00	1.00	49.95	55.57	11.90	11.10
UPB-044	4/11/2014	585461	8588403	16	-90	6.00	2.25	3.00	0.75	34.70	49.25	17.44	14.20
							3.50	4.50	1.00	54.10	54.59	9.26	17.52
UPB-045	4/11/2014	586096	8586966	16	-90	3.00	0.50	2.25	1.75	56.77	54.49	9.16	9.76
UPB-046	4/11/2014	586110	8587299	17	-90	3.00	0.75	2.25	1.50	50.77	54.06	8.49	9.57
UPB-047	4/11/2014	586117	8587623	14	-90	3.00	1.25	2.25	1.00	60.85	57.38	6.72	7.62
UPB-048	4/11/2014	586443	8587924	14	-90	5.25	2.00	4.50	2.50	61.08	55.94	9.41	8.40
UPB-049	4/11/2014	586595	8587711	12	-90	4.75	No bauxite intersection						
UPB-050	5/11/2014	586754	8587930	11	-90	4.25	Twin hole - samples retained not assayed						
UPB-050B	5/11/2014	586754	8587932	11	-90	4.25	1.50	3.00	1.50	75.17	51.12	14.35	11.46
UPB-051	5/11/2014	586765	8588254	11	-90	4.75	Twin hole - samples retained not assayed						
UPB-051B	5/11/2014	586765	8588250	11	-90	4.75	1.25	3.25	2.00	57.31	46.68	14.69	16.86

Table 1: EPM15268 Urquhart Point Bauxite Exploration Drillhole Results - Area B continued

Drill hole	Date Drilled	Easting MGA94 Z54	Northing MGA94 Z54	RL metres	Dip degrees	TD metres	Interval From metres	Interval To metres	Interval metres	Yield (+1.2mm) %	Al_2O_3 %	SiO_2%	Fe_2O_3%
UPB-052	27/11/2014	586751	8588739	8	-90	4.75	1.75	4.00	2.25	62.53	53.83	10.30	9.15
UPB-053	27/11/2014	586743	8589055	9	-90	5.00	2.00	4.00	2.00	55.54	54.19	9.93	11.82
UPB-054	27/11/2014	586741	8589377	12	-90	8.25	3.00	3.75	0.75	30.63	47.63	15.09	17.10
							4.25	7.50	3.25	59.60	51.65	12.24	11.76
UPB-055	27/11/2014	586739	8589693	15	-90	6.00	No bauxite intersection						
UPB-056	27/11/2014	586744	8590011	11	-90	5.00	No bauxite intersection						
UPB-057	27/11/2014	586744	8590328	11	-90	6.00	No bauxite intersection						
UPB-058	27/11/2014	586746	8590661	12	-90	6.00	No bauxite intersection						
UPB-059	27/11/2014	586422	8590327	10	-90	6.00	No bauxite intersection						
UPB-060	27/11/2014	586433	8590011	6	-90	6.00	No bauxite intersection						
UPB-061	27/11/2014	586430	8589674	9	-90	6.00	4.25	5.50	1.25	45.12	54.94	10.50	8.76
UPB-062	27/11/2014	586431	8589358	9	-90	6.00	4.00	5.25	1.25	56.60	54.36	10.69	9.08
UPB-063	28/11/2014	586419	8589043	5	-90	6.00	No bauxite intersection						
UPB-064	27/11/2014	586436	8588734	5	-90	6.00	3.00	4.00	1.00	15.45	44.83	16.77	19.31
UPB-065	27/11/2014	586086	8588744	2	-90	4.75	2.50	4.00	1.50	60.03	42.99	13.78	20.53
UPB-066	27/11/2014	586092	8589054	4	-90	5.25	3.75	4.25	0.50	55.55	57.92	8.84	9.66
UPB-067	27/11/2014	586090	8589369	4	-90	4.50	No bauxite intersection						
UPB-068	28/11/2014	585775	8589359	ND	-90	8.50	4.75	7.75	3.00	73.21	45.07	16.83	17.54
UPB-069	28/11/2014	585791	8589050	ND	-90	6.00	4.50	5.50	1.00	49.20	45.02	15.06	17.27
UPB-070	28/11/2014	585778	8588735	0	-90	6.00	3.50	4.50	1.00	55.90	54.47	10.83	9.64
UPB-071	28/11/2014	585456	8588730	0	-90	4.75	3.50	4.25	0.75	51.00	45.16	17.87	15.96
UPB-072	28/11/2014	585460	8588090	2	-90	3.75	2.25	3.00	0.75	52.43	46.35	15.67	15.42
UPB-073	28/11/2014	585459	8587780	4	-90	3.00	2.25	2.75	0.50	51.30	47.10	17.85	11.90
UPB-074	28/11/2014	585463	8587455	10	-90	4.00	2.25	3.00	0.75	41.60	49.31	15.06	11.37
UPB-075	28/11/2014	585461	8586815	12	-90	4.75	2.25	3.75	1.50	42.83	51.20	11.70	11.67
UPB-076	28/11/2014	585455	8586499	6	-90	5.00	2.75	3.50	0.75	42.40	49.64	14.03	12.24
UPB-077	28/11/2014	585460	8587135	6	-90	3.75	1.75	2.75	1.00	50.30	53.31	7.59	10.37
UPB-077B	28/11/2014	585460	8587135	6	-90	3.75	1.75	2.75	1.00	55.15	54.06	7.36	9.26
UPB-078	28/11/2014	585138	8587132	9	-90	6.00	2.50	5.25	2.75	55.79	54.88	9.46	6.32
UPB-079	28/11/2014	585145	8587450	8	-90	4.00	2.50	3.50	1.00	55.18	53.66	10.11	8.21
UPB-080	28/11/2014	585139	8587776	8	-90	4.50	2.50	3.75	1.25	40.02	44.04	20.95	13.68
UPB-081	28/11/2014	585139	8588092	6	-90	3.75	2.00	3.00	1.00	41.25	44.09	19.45	16.13
Average[1]						**4.89**			**1.40**	**55.42**	**51.58**	**12.08**	**11.65**

e **1** Interval average is simple average of interval metres. Yield average is weighted on interval thickness. Al_2O_3/SiO_2/Fe_2O_3 averages are weighted on Yield.

ND No Data

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Reverse Circulation aircore drill hole samples representing 0.25m intervals were collected in plastic bags through a cyclone mounted on the drill rig. The entire sample was collected in plastic bags to ensure, as much as possible, the representivity of the drilled material. All samples were geologically logged at the time of drilling to determine 1) the type of bauxite material, 2) when to stop the hole, 3) which samples to retain for analysis and 4) which samples to composite over 0.5m intervals. Samples were collected as individual 0.25m samples or composited over 0.5m intervals where the geologically logged material was similar. Samples that contained pisolites in significant volume were logged as bauxitic and retained for analysis. These samples were placed in polywoven sacks for dispatch to the laboratory. A small representative sub-sample (approx. 50g) was collected for each 0.25m interval and stored in a plastic sample tray as a reference.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling was carried out by Wallis Drilling Pty Ltd using a Wallis Mantis 80 Aircore drill rig mounted on a 6x6 Toyota. Shallow (up to 8.5m) holes were drilled vertically using NQ rods with an NQ aircore drill bit with an OD of 93mm.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Reverse Circulation aircore drilling was used due to its proven reliability in producing high sample recoveries, drilling of accurate sample intervals and recovery of representative samples. To ensure representivity of the material being drilled the entire sample was collected for each 0.25m interval of the drill hole.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical*	All drilled intervals were geologically logged at 0.25m intervals. The logging was undertaken in a qualitative manner and focussed on documenting the amount and nature of the overburden, the pisolitic

Criteria	JORC Code explanation	Commentary
	studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	intervals and the floor to mineralisation. The bauxitic horizons were defined by the presence of pisolites and the absence of ferricrete/ironstone/clays. Logging included visual estimates of pisolitic bauxite concentration and pisolite size and nature.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	No sub-sampling of material was undertaken at the time of collection. The entire sample was collected over each 0.25m interval directly from the cyclone on the drill rig. Sample weights were on average between 2-3 kg for the 0.25m samples and 4-6kg for the composited 0.5m samples. The samples were dispatched to and received by ALS laboratory at its sample preparation facility in Virginia, Brisbane. The samples were prepared for assay using the following method: • sort and report weight of received sample; • Riffle split samples into an A and B fraction of approximate equivalent weight. Retain and store Split B; • Weigh and dry Split A at 105^{o}C and reweigh to determine sample moisture content; • Wet-screen Split A at 1.2mm, dry at 105^{o}C and then pulverise to a nominal 85% passing 75 microns; • split off 50g fractions for total oxide analysis and retain residue. This preparation is regarded as being appropriate for bauxite analyses. As the entire sample was collected in the field no duplicate sampling was possible or deemed to be required.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels*	Sample analyses were undertaken by ALS laboratory at its Stafford facility in Brisbane. The analytical methods applied to the pulverised sample were as follows: • Total oxides by XRF (ALS code ME-XRF13n). Al_2O_3, BaO, CaO, Cr_2O_3, Fe_2O_3, K_2O, MgO, MnO, Na_2O, P_2O_5, SO_3, SiO_2, SrO, TiO_2, V_2O_5, Zn, ZrO_2. • H_2O/LOI by TGA furnace (ALS code ME-GRA05)

Criteria	JORC Code explanation	Commentary
	of accuracy (ie lack of bias) and precision have been established.	No field duplicate samples were collected as the total sample was collected for analysis. In the laboratory as a Quality Control measure, one in every 9 samples was analysed in duplicate and six laboratory standards and two blanks were run in conjunction with the samples and the results reported.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	One in every 9 samples was analysed in duplicate by ALS. Four twinned holes were drilled. One of the twinned holes UPB-077B was assayed and the results included in Table 1 of this release. Samples from the remaining 3 twinned holes have been retained for future mineralogical and metallurgical testwork. ALS provided the analytical data in csv and pdf format. The data were compiled by Oresome Australia into Excel spreadsheets and combined with geological logs, sample intervals and drill hole location data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill collars were located by hand held Garmin GPS considered to have an accuracy of ± 4 m. The grid system used was GDA94 Zone 54L. The base topographic control is the local 1:50,000 topographic maps (Weipa and Winda Winda Creek) which is adequate to identify overall and specific locations.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	62 holes were drilled in total comprising 55 on a nominal 320m x 320m grid including 2 twin holes and 7 at 160m in-fill spacing including 2 twin holes. The aim of the program was to determine the presence or not of significant bauxite mineralization. The spacing was adequate for this purpose and is deemed sufficient to establish the degree of geological and grade continuity appropriate for an Inferred Mineral Resource estimate if required at a later date. Samples were collected as individual 0.25m samples or composited over 0.5m intervals where the geologically logged material was similar. No additional compositing of samples was undertaken at the laboratory analysis stage.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering*	All drill holes are vertical and intersect the mineralisation at an approximate 90^0 angle. Considering the deposit type the sampling has

Criteria	JORC Code explanation	Commentary
geological structure	*the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	shown the presence of broad zones of continuity of mineralisation in an unbiased manner. The mineralisation is regarded as horizontal due to the tabular nature of the style of deposit as demonstrated elsewhere on the Weipa Plateau and as the holes are vertical all intercepts are regarded as having True Width.
Sample security	• *The measures taken to ensure sample security.*	The samples were collected in large plastic sample bags on site which were secured using cable ties and bagged into white polywoven sacks and stored in a locked compound. The sacks were palleted and shrink-wrapped for shipment. It is considered that due to the nature (bauxite) and the value of the mineralisation potential, security interference was extremely remote.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No independent audits of the drilling and sampling have been undertaken due to the early stage nature of the project.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Urquhart Point EPM15268 is located some 5 km west of the township of Weipa on the western side of Cape York. EPM 15268 is currently held 66 2/3% by Oresome Australia Pty Ltd (a 100% owned subsidiary of Metallica Minerals Limited), and 33 1/3% by its Joint Venture Partner, Ozore Resources Pty. Ltd. Ozore can increase its JV interest to 50% upon contribution of a further A$2.5 million to the Joint Venture. There is an exploration access agreement with the local Indigenous Groups represented by the Wik and Wik Way. The area is covered by the Cape York Regional Plan (CYRP). EPM15268 is unaffected by the current CYRP and the tenement is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	An appraisal has been undertaken of previous exploration for bauxite. Although some widespread sampling existed there was no evidence of systematic, grid-based drilling. Oresome undertook a maiden auger

Criteria	JORC Code explanation	Commentary
		drilling and sampling program within the tenement in 2014. Refer ASX Release dated 11 July 2014.
Geology	• *Deposit type, geological setting and style of mineralization.*	The deposit type is bauxite laterite derived from the tropical to sub-tropical weathering of aluminous sediments.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Refer to Table 1 below.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	For each drillhole, bauxite intervals are based on a cut-off of >40% total Al_2O_3 and ≤20% total SiO_2 based on the results of analyses of beneficiated (+1.2mm) samples. A minimum interval thickness of 0.5m was applied. Down-hole assays were weighted on the basis of both intercept thickness and intercept recovery (Yield % ≥1.2mm) to determine the weighted average assay for the bauxite zone in each drill intercept. No upper cut-off grades were applied.
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The mineralisation is regarded as horizontal due to the tabular nature of the style of deposit and as the holes are vertical all intercepts are regarded as having True Width. The down hole depths are True Widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of*	Refer to Figures 1 and 2.

Criteria	JORC Code explanation	Commentary
	drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Representative reporting of both low and high grade results are reported (See Table 1 in this release).
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	The drilled area was identified due to its recognised proximity to known bauxite deposits within the adjoining Rio Tinto ML, desk-top mapping of potential bauxite plateau features in satellite image studies and encouraging results from limited hand auger drilling completed in 2014. Refer ASX Release dated 11 July 2014.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	It is envisaged that further drilling will be carried out later in 2015 and may include infill drilling of areas already drilled and testing of their lateral extensions.