



ASX RELEASE

2 JANUARY 2019

PROPOSED MERGER WITH MELIOR TERMINATED

Metallica Minerals Limited ([ASX:MLM](#)) ("**Metallica**", or "**the Company**") advises that the proposed merger with Melior Resources Inc. ("**Melior**") is no longer being pursued, as the Arrangement Agreement between the Company and Melior has been terminated.

Accordingly, the Extraordinary General Meeting of the Company, which was scheduled to be held on 7 January 2019, is no longer being held and all proposed resolutions are withdrawn.

The completion deadline for the proposed merger with Melior was 31 December 2018. The conduct of Melior, including breaches of representations, warranties and covenants in the Arrangement Agreement surrounding Melior's debt covenants, was a significant contributing factor to the conditions precedent to completing the proposed merger not being satisfied by the completion deadline of 31 December 2018. As a result, Metallica is continuing to evaluate potential recourse for damages caused by Melior's breaches under the Arrangement Agreement.

-ENDS-

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