



METALLICA MINERALS LIMITED

Subsidiary Companies

NORNICO Pty Ltd ACN 065 384 045 | Oresome Australia Pty Ltd ACN 071 762 484

Cape Alumina Pty Ltd ACN 107 817 694 | Metrocoal Limited ABN 45 117 763 443 | Phoenix Lime Pty Ltd ACN 096 355 761

ASX Code: MLM

ASX RELEASE

11, November 2008

AUSTRALIAN BAUXITE FLOAT OPENS TODAY WITH STRONG INVESTOR COMMITMENTS

Australia's newest resources float, the A\$15 million bauxite Initial Public Offer by Brisbane-based, Cape Alumina Limited, opened today, with local and overseas investors already committing to more than 60% of the minimum subscription.

Cape Alumina – 40% owned by Metallica Minerals Limited (ASX: "MLM") – has provided for oversubscriptions of a further A\$10 million to lift total potential investor inflows under the IPO to \$25 million.

The Company plans to list on the ASX by mid December 2008, having already secured pre-commitments from major shareholders, including overseas aluminium companies, of more than \$10 million of the \$15 million minimum subscription. Metallica will retain a 30% shareholding in Cape Alumina.

"Bauxite is a bulk commodity which has enjoyed strong demand growth in recent years and will continue to be underpinned by steady and increasing global consumption of aluminium," Cape Alumina's Chief Executive Officer, Dr Paul Messenger, said today.

"We welcome the recent news from China – the world's largest bauxite importer – announcing a US\$586 billion infrastructure program, which will help to underpin raw materials demand," Dr Messenger said.

Cape Alumina's main asset is the wholly-owned and advanced 101 million *in situ* tonne (76 Mt Indicated + 25 Mt Inferred) Pisolite Hills bauxite project in the world-class Weipa Bauxite Province of Queensland's Cape York Peninsula with average washed grade of 53.5% Al₂O₃ and 12.2% SiO₂.

IPO proceeds will be used to fast-track the evaluation, through completion of a Bankable Feasibility Study due by late next year, aiming for first production from 2012-2013 at 7 million tonnes per annum.

The Cape Alumina IPO is offering 30 million shares at A\$0.50 each to raise A\$15 million, with provision for oversubscriptions of a further A\$10 million. The minimum subscription is \$2,000. Cape Alumina is seeking Metallica investor support to achieve the minimum shareholder spread.

This offer is made by Cape Alumina Limited ACN 107 817 694 under a replacement prospectus dated 7 November 2008. The prospectus is available at www.capealumina.com.au or by phoning 07 3229 3644. Applications for shares in Cape Alumina Ltd close on 28 November and can only be accepted if made in accordance with the instructions in the prospectus. We encourage you to read the prospectus before making an application.

Yours sincerely,

Andrew Gillies
Managing Director

Competent Persons Statement

The mineral resources information in this report is based on, and accurately reflects, information compiled by Dr Paul Messenger BSc (Hon) Geology, PhD (CEO of Cape Alumina Ltd) who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Messenger has the relevant experience in relation to the mineralisation and resources being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Dr Messenger consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.