

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

METALLICA MINERALS LIMITED

ABN

45 076 696 092

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (.3 months) \$A'000
1.1 Receipts-product sales and related debtors	13	13
1.2 Payments for (a) exploration & evaluation (b) feasibility/development- -includes JV contribution of \$325,000 but excludes JV expenditure (c) production (d) administration	(24) (456) (331)	(24) (456) (331)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	5	5
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)-Research and Development tax Offset refund-net	290	290
Net Operating Cash Flows	(503)	(503)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects- (b) equity investments (c) other fixed assets	25	25
1.10 Loans to other entities	(250)	(250)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)-GST received on Boyne sale payable in July	(100)	(100)
Net investing cash flows	(325)	(325)
1.13 Total operating and investing cash flows (carried forward)	(828)	(828)

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1.13	Total operating and investing cash flows (brought forward)	(828)	(828)
	Cash flows related to financing activities		
1.14	Net Proceeds from issues of shares		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)- commission paid upon receipt of Joint Venture funding		
	Net financing cash flows		
	Net increase (decrease) in cash held	(828)	(828)
	Cash at beginning of quarter/year to date	2,282	2,282
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,454	1,454

Note: The Company received a further \$250,000 on the signing of the SCONI farm-in and Joint Venture Agreement on 11 October 2016

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	36
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	70
4.2 Feasibility/development including permitting	250
4.3 Production	
4.4 Administration	300
Total	620

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	694	1,526
5.2 Deposits at call	760	756
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,454	2,282

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Nil	Nil		
7.2				
7.3	227,311,635	227,311,635		
7.4				
7.5	Nil	Nil		

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	Options			
		1,000,000	Nil	70 cents	3 years from date of announcement of decision to mine Kokomo or Lucknow Scandium Deposits
		5,000,000	Nil	10 cents	31 December 2016
		29,935,691	Nil	4.5 cents	30 June 2017
		2,000,000	Nil	12.5 cents	13 July 2017
7.8	Issued during quarter	2,000,000	Nil	12.5 cents	13 July 2017
7.9	Exercised during quarter				
7.10	Expired during quarter	2,000,000	Nil	7.5 cents	1 July 2016
7.11	Debentures <i>(totals only)</i>	Nil			
7.12	Unsecured notes <i>(totals only)</i>	Nil			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Company Secretary)

Date: 17 October 2016

Print name: John Haley

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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