



METALLICA MINERALS LIMITED

Subsidiary Companies: QLD Gold 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 - SE QLD Energy Pty Ltd ACN 112 045 708 - SE QLD Coal Pty Ltd ACN 114 039 155

ASX Code: MLM

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- **TWO INTERNATIONAL GROUPS EXPAND HOLDINGS IN QUEENSLAND BAUXITE COMPANY – CAPE ALUMINA**
- **BOTH ALSO BUYING SIGNIFICANT METALLICA SHAREHOLDINGS**

Cape Alumina Ltd's Queensland bauxite project has received another significant boost with China's largest independent alumina-aluminium producer, Chiping Xinfu Huayu Alumina Co Ltd (Xinfu), increasing its stake in the Queensland company to 17.5% with the acquisition of an additional 7.5% shareholding from Anegada Metals Corporation Limited (Anegada).

At the same time, two USA equity fund groups - Resource Capital Funds III LP and IV LP (RCF) of Denver - have also purchased a combined 17.5% of Cape Alumina shares from Anegada (previously held 25% of Cape Alumina). RCF is also a 7.8% shareholder in Metallica Minerals Limited.

As a result of the latest restructure, Metallica Minerals Limited will remain the largest shareholder of Cape Alumina with 40% of the shares, the balance of the shares are now held by Xinfu (17.5%), RCF (17.5%), and Bondline Limited (25%).

Today's announcement of the new Cape Alumina share acquisitions follows the completion last week of Metallica's \$4.6 million sale of 10% of Cape Alumina to Xinfu.

In another development – and as part of this restructure – Metallica has been advised both Xinfu and RCF have acquired Anegada's entire Metallica shareholding, being 4.91 million shares at a price of 79c per share.

RCF will now hold approximately 10.95 million shares or 10.7% and Xinfu will hold 1.96 million shares or approximately 2% of Metallica's issued capital.

"This latest shareholding restructure of Cape Alumina's equity is a significant boost for the Company and provides us with the best opportunity of moving forward to advanced exploration in the Weipa bauxite region and development at the Wenlock bauxite project," Metallica's CEO/Managing Director, Mr Andrew Gillies, said today.

"The new shareholders bring a mix of industry experience, technical skills and financial backing to expedite development of the project. We are also pleased to see RCF enhance its Metallica interest and welcome Xinfu acquiring a significant initial holding in the Company" Mr Gillies said.

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Mr Andrew Gillies

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