



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 AND MEDIA RELEASE

30 JULY 2007

METALLICA SETTLES \$15 PLUS MILLION SALE OF QLD COAL ASSETS \$4.75 MILLION CASH AND 25 MILLION COCKATOO SHARES RECEIVED

Metallica Minerals Limited (**ASX: MLM**) today announced that the sale agreement with Cockatoo Coal Limited (ASX: COK) has been completed, whereby Cockatoo has purchased Metallica's two coal subsidiary companies which hold its south-east Queensland coal assets for a total of approximately \$15 million in cash and shares. The issue of the Option and the terms were announced to the ASX on 29 June 2007.

Metallica has today received \$4.75 million in cash (in addition to a \$250,000 option fee already received) plus 25 million shares in the ASX-listed Cockatoo Coal (last trading around 47 cents per share, about 27 cents higher than when the option agreement was announced).

As previously advised, in the event of mining commencing on any of the coal projects, Metallica will receive further shares in Cockatoo Coal, and if mining commences on the Taabinga coal deposit and EPC 882 (covering major portion of the Tarong Coal Basin) near Kingaroy, Metallica will also receive a 40 cents per tonne royalty on any future coal production.

Metallica Managing Director, Mr Andrew Gillies, said "Metallica's cash position is now in excess of \$10 million. We are very happy with our share holding investment in Cockatoo Coal, as we have excellent exposure to Queensland coal project exploration success and developments by a well managed and cashed up coal focused company."

For further information please contact

A handwritten signature in black ink, appearing to read "Andrew Gillies".

Mr Andrew Gillies

Managing Director, Metallica Minerals Ltd

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