



# METALLICA MINERALS LIMITED

Subsidiary Companies

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

Lucky Break Operations Pty Ltd ACN 126 272 580 | MetroCoal Limited ABN 45 117 763 443 | Phoenix Lime Pty Ltd ACN 096 355 761

ASX Code: MLM

## ASX RELEASE

10 September 2009

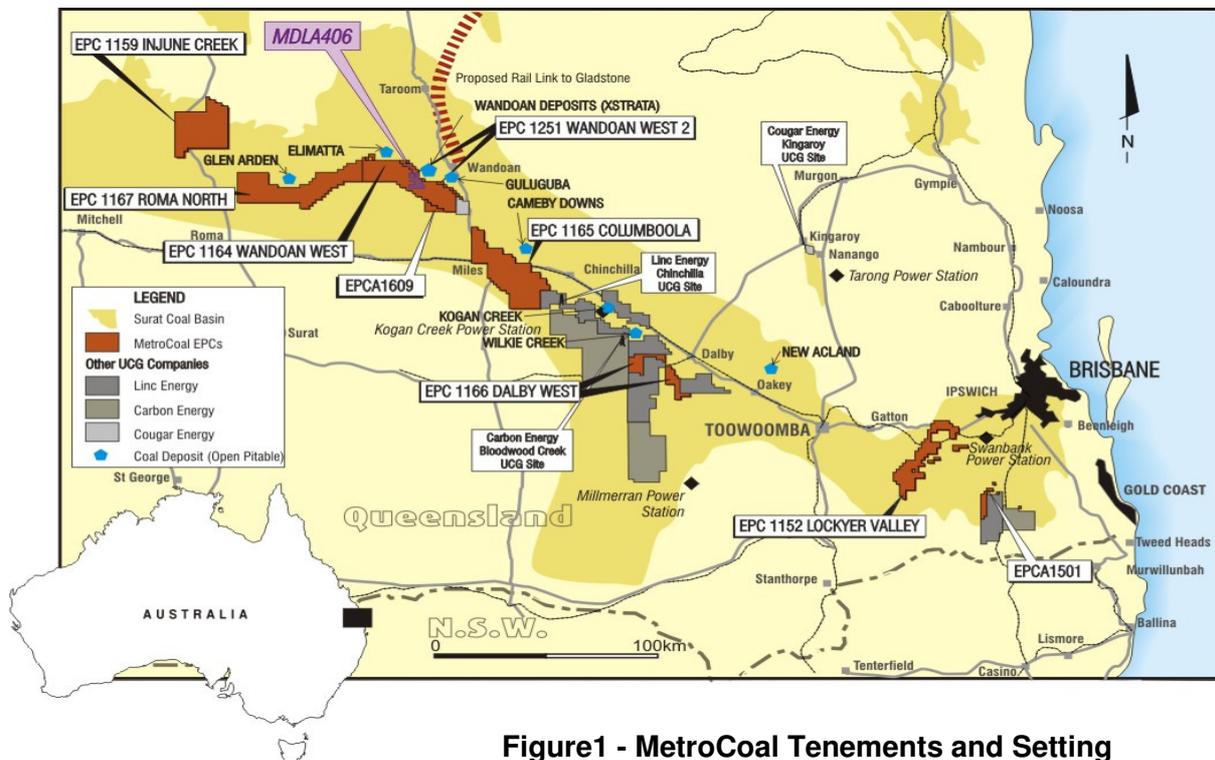
### METROCOAL RAISES \$1 MILLION SEED CAPITAL IPO PREPARATION UNDERWAY

MetroCoal Limited (MetroCoal) is pleased to announce that it has successfully raised \$1 million in seed capital. MetroCoal is a subsidiary of Metallica Minerals Limited (ASX: MLM). Metallica will now hold 79% of the issued capital in MetroCoal following the seed capital raising.

This placement paves the way for a proposed ASX listing of a new Australian export coal, associated cleaner coal, fuels and energy focused company. Management believes the timing for the Initial Public Offering is now right and will coincide with an increasing demand for cleaner coal alternatives which make underground coal gasification (UCG) attractive.

The capital raising represents the next step in the establishment of the Australian pure play coal and energy company to develop its tenements covering a combined 4,000 square kilometres of the Surat Basin in Southern Queensland, see Figure 1.

The capital raising was managed through Patersons Securities Ltd who have been appointed as Lead Manager to the MetroCoal IPO. Bell Potter Securities Ltd assisted with the capital raising and will also provide support for the ASX listing.





“This strategy adds considerable value to Metallica given MetroCoal's value has not properly been recognised by the market. MetroCoal is now mature enough with an established granted tenement package over large coal deposits, its own management team and financing capability to pursue a separate ASX listing. At the same time it enhances management focus and human resources on Metallica's NORNICO nickel-cobalt project. The successful seed capital raising now affords MetroCoal with an excellent platform to unlock and create value from pursuing opportunities in both conventional coal mining and in the emerging UCG energy fuels sectors,” Metallica's Managing Director, Mr Andrew Gillies said today.

## **MetroCoal IPO plan**

Mr Gillies said MetroCoal has a strong management team in place, headed up by Mike O'Brien as CEO, who has considerable experience in the coal industry, Theo Psaros as Chief Operating Officer and Neil Forbes as Exploration Manager. “MetroCoal is strongly placed to execute a successful ASX listing following the appointment of highly regarded resource broker Patersons Securities as Lead Manager with support from Bell Potter.”

“To deliver its strategy, MetroCoal will in the near term concentrate on proving up its coal deposits before locking in their respective development options – whether in export thermal coal, UCG syngas electricity production or, in the long term, UCG-Coal Gas to Liquids,” he said.

Management believes the timing is right for an IPO due to the renewed interest in the world's need for energy, supported by the strong performance of energy companies in recent years.

Mr Andrew Gillies  
Managing Director, Metallica Minerals  
Ltd  
Ph: (07) 3891 9611  
Mob: 0416 137 556

Mr Mike O'Brien  
CEO, MetroCoal Ltd  
Ph: (07) 3891 9611  
Mob: 0419 599 523

Mr Andrew Crook  
Crook Publicity  
Ph: (07) 3225 4510  
Mob: 0419 788 431

