



ASX RELEASE  
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## NEW STRATEGIC TENEMENT APPLIED FOR TO ENHANCE ESMERELDA PROJECT

While the Board of Metallica Minerals Limited (ASX: MLM) has been undertaking a review of the company's projects, an opportunity arose to apply for an additional exploration tenement adjacent to Metallica's existing Esmeralda tenements south of the Croydon goldfield in North Queensland, Australia.

Metallica emphasises that its primary focus remains on progressing the Urquhart Bauxite Project in Far North Queensland. However, due to the reasons outlined below, the Company has applied for EPM(A) 27210 'Clara'. This tenement augments Metallica's graphite, gold and base metal exploration in the region.

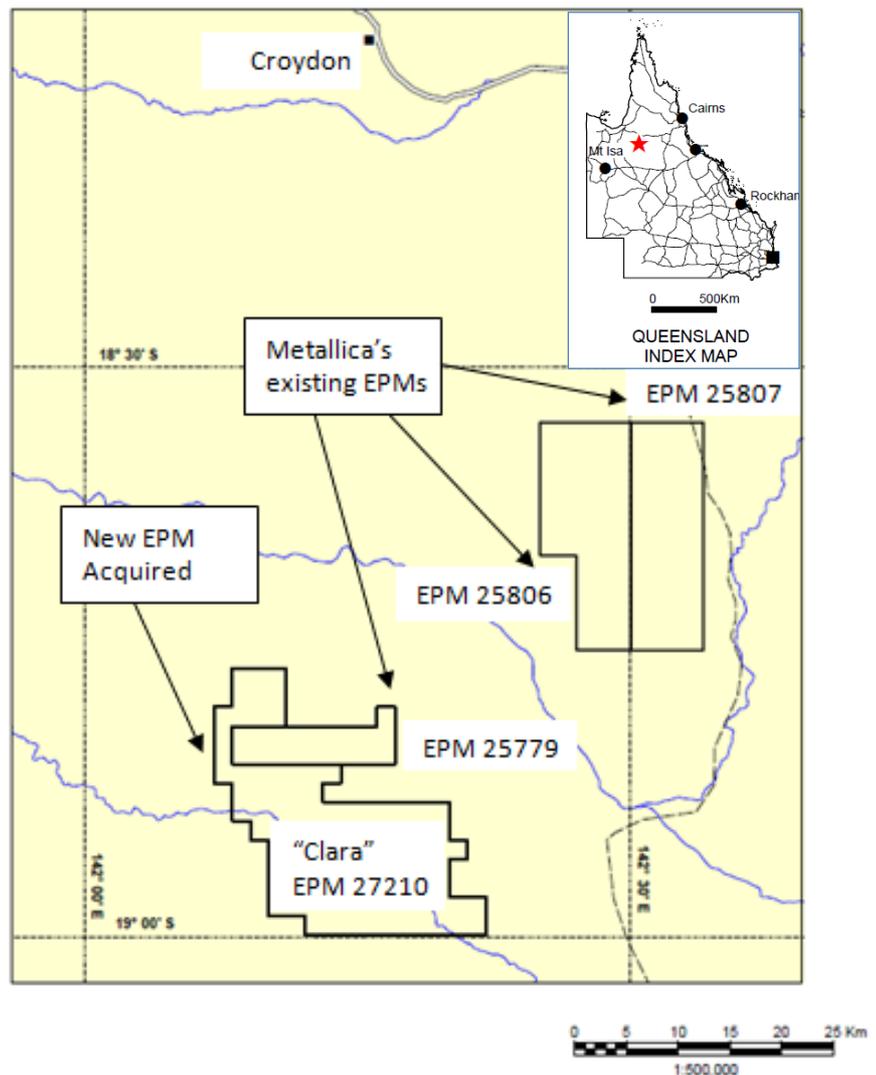
As part of the ongoing review of the Esmeralda Project, a new mineralisation model has been developed based on graphitic granite and associated intrusive-related gold mineralisation. Recent discoveries in the area have highlighted the potential of gold and base metal mineralisation.

The unusual graphitic granite is significant, as it is a potential reactive geochemical trap for mineralised hydrothermal fluids and could be considered as an ideal host rock for gold and base metal mineralisation.

The Croydon Gold Fields to the north are an example of this style of mineralisation with the graphitic granites hosting the gold rich vein structures that were mined historically.

The new application area covers the known occurrences of graphitic granite at "Hidden One" prospect and Intrusives south of the known Warrior Deposit.

The first step to pursue the new style of mineralisation will be restricted to desktop studies reviewing available historical exploration and geophysical data within the greater project area.



Following this step a target study will be completed by modelling of the geophysical data which should result in a better understanding of graphitic granites and the intrusives beneath the cover sequence.

Once the desktop target study has been completed, Metallica will review and plan based on results.

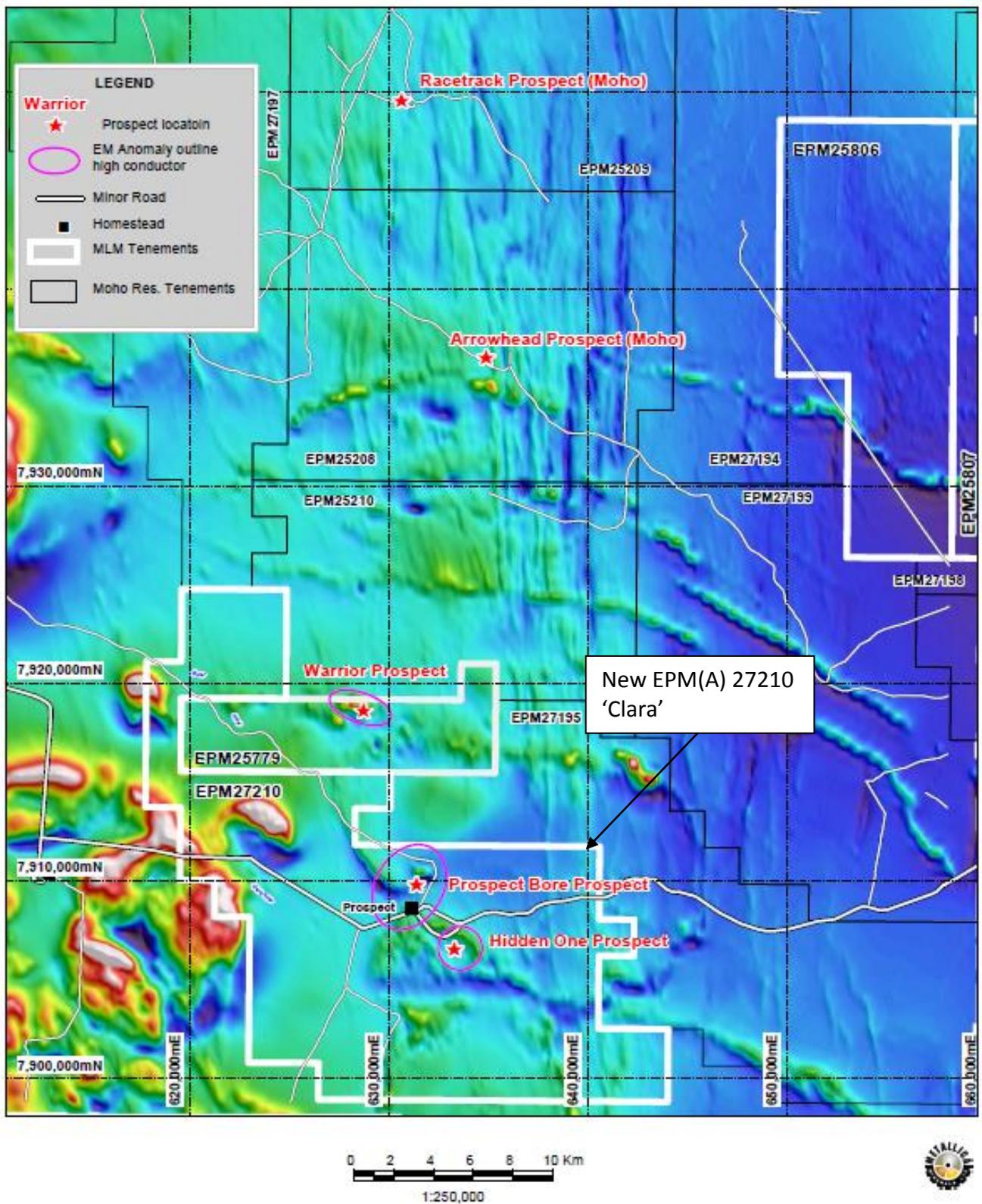
While undertaking these exploration activities and continuing to explore opportunities to create value for shareholders, Metallica emphasises that its primary and current focus remains on progressing the Urquhart Bauxite Project.

For further information, please contact:

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#### Competent Person Statements

The information in this report that relates to the Esmeralda Project is based on information reviewed and compiled by Mr. Neil Mackenzie-Forbes, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Mackenzie-Forbes is a consultant geologist to Metallica Minerals Limited. Mr Mackenzie-Forbes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mackenzie-Forbes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



The figure above shows Electro Magnetic (EM) conductors displaying prominent Magnetic highs