



Prospectus

Metallica Minerals Limited ACN 076 696 092

Renounceable pro-rata entitlement offer of 1 new Metallica share and 1 attaching new option for every 4 ordinary Metallica shares held on the Record Date, for an issue price of 15 cents to raise a minimum of \$2,125,000 and a maximum of \$5,466,950 before costs.

This document is important and it should be read in its entirety

Underwriter and Lead Manager
Patersons Securities Limited
ACN 008 896 311

Your Entitlement and Acceptance Form must be received by the Share Registry with your payment no later than 5.00pm (Brisbane time) on the Closing Date. Please refer to the timetable set out in this Prospectus for the Important Dates.

If you are in any doubt as to the contents of this document, you should consult your stockbroker, solicitor, banker, financial advisor or accountant as soon as possible. The securities offered by this Prospectus are considered to be speculative.

Offer Statistics

Number of Shares on issue prior to Offer	145,785,327
Maximum number of New Shares to be issued	36,446,332
Maximum number of Attaching Options to be issued	36,446,332
Issue Price per New Share	15 cents

Timetable for important dates

Announcement of Issue	7 May 2013
Lodgement of Prospectus with ASIC	7 May 2013
Notice to security holders containing Appendix 3B information	9 May 2013
Metallica Shares commence trading on an ex rights basis	10 May 2013
Rights trading commences	10 May 2013
Record Date for the Offer	16 May 2013
Prospectus and Entitlement and Acceptance Form despatched to Shareholders	21 May 2013
Opening Date of Offer	21 May 2013
Rights trading ends	28 May 2013
Shares quoted on a deferred settlement basis	29 May 2013
Closing Date of Offer	4 June 2013 - 5pm Brisbane time
Advise ASX of any shortfall	7 June 2013
Expected date of Issue of New Shares	11 June 2013
Commencement of trading of New Shares on ASX on a normal basis	12 June 2013
Expected date of despatch of New Shares holding statements	13 June 2013

These dates are indicative only and subject to change without notice. The Company, in conjunction with the Underwriter, may extend the period of the Offer or bring forward the closing date at their discretion. This may have a consequential effect on the other dates.

Important notice

This Prospectus is dated 7 May 2013 and was lodged with the ASIC on the same date. Neither ASIC nor ASX takes any responsibility as to the contents of this Prospectus. No securities will be issued on the basis of this Prospectus any later than 13 months after the date of issue of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer described in this document which is not contained in this document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No offer is made by this Prospectus in any jurisdiction outside of Australia and New Zealand. The distribution of this Prospectus within jurisdictions outside Australia and New Zealand may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

In making this offer to Shareholders in New Zealand, the Company is relying on the *Securities Act (Overseas Companies) Exemption Notice 2002 (NZ)*, by virtue of which this Prospectus is not required to be registered in New Zealand.

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Key investment highlights

- Positive Pre-Feasibility Study (**PFS**) released in March 2013 confirms the 100% owned SCONI scandium project is economically and technically viable and has a significant upside.
- The SCONI Project will produce scandium oxide at >99.9% purity.
- The SCONI Project PFS indicates net present value of \$273 million and 21% internal rate of return.
- SCONI Project is located with access to roads, water, power and ports.
- Scandia production to supply a portion of Bloom Energy's requirements (under the existing Heads of Agreement announced to the market on 2 October 2012) as well as potential demand from solid oxide fuel cell and aluminium alloy customers.
- Strong support from major shareholder Jien Mining via sub-underwriting of \$2 million of the shortfall.
- The Offer is renounceable so Eligible Shareholders can trade their rights – Refer to Sections 1.3 and 2.2.
- Eligible Shareholders can apply for Additional Securities in excess of their Entitlement – Refer to Sections 1.5 and 2.4.

Key investment risks

The Directors have considered and identified in Section 7 of this Prospectus the key risks associated with investing in the Offer. The major investment risks to be considered by potential investors include (but are not limited to):

- Financing
- Ability to attract new investors
- Operational risks
- Reliance on key personnel
- Land access risk
- Government policy and taxation
- Tenement risks
- Environmental regulation and risks
- Exploration, development and production

Please refer to Section 7 for details of the risk factors.

Chairman's letter

Dear Shareholder,

On behalf of your Directors, I have the pleasure in providing you with the opportunity to participate in a renounceable entitlement offer by the Company offering Eligible Shareholders with registered addresses in Australia and New Zealand one (1) New Share for every four (4) Shares held on the Record Date at 15 cents per new share and attaching options (unlisted) at 1 Attaching Option (exercisable at 25 cents by 30 September 2014) for every New Share to raise \$5,466,950 before costs.

The funds raised will be used for the Company's SCONI project, permitting for the Company's minerals sands project and for working capital.

The Offer is partly underwritten by Patersons Securities Limited to the amount of \$2.125 million. Jien Mining, Metallica's major shareholder, has agreed to participate in the Offer and to sub-underwrite \$2 million of the Shortfall securities.

If you are an Eligible Shareholder, you may either:

- take up part or all of your Entitlements;
- sell all of your Entitlements on ASX;
- apply for Additional Securities;
- do nothing, in which case your rights will lapse and you will not receive any benefits.

On behalf of the Board, I invite you to consider the contents of this Prospectus and participate in the Offer.



David K Barwick
Chairman

7 May 2013

1. Key features of the Offer

1.1 Offer summary

This Prospectus is for a renounceable entitlement offer to issue up to 36,446,332 New Shares with 1 Attaching Option for each New Share subscribed for to raise up to \$5,466,950 before Offer costs. The minimum amount to be raised under the Offer is \$2.125 million.

Metallica announced the Offer to the ASX on 7 May 2013.

Shareholders with registered addresses in Australia and New Zealand on the Record Date are entitled to one (1) New Share in Metallica for every four (4) Shares held. For each New Share subscribed for, Eligible Shareholders will receive 1 Attaching Option which shall be issued for no further consideration.

The subscription price is 15 cents per New Share.

Fractions will be disregarded in calculating the Entitlements.

Subscription moneys for the New Securities must be received by Metallica at its Share Registry, on the Closing Date. Please refer to the timetable for the important dates of the Offer.

The number of New Securities which you may apply for, and the total amount you would have to pay if you choose to take up all of your rights to subscribe for New Securities, is shown on the enclosed Entitlement and Acceptance Form. There is no minimum subscription.

The Directors may at any time decide to withdraw this Prospectus and the offer of New Shares made under this Prospectus, in which case the Company will return all applications moneys (without interest) within 28 days of giving notice of such withdrawal.

1.2 Capital structure

The capital structure of the Company following the issue of New Securities (assuming the maximum number of New Securities is issued under the Offer) will be as follows:

	Shares – Maximum¹	Shares – Minimum²	Options – Maximum¹	Options – Minimum²	Performance Rights
Total on issue on date of Prospectus	145,785,327	145,785,327	15,112,500	15,112,500	2,900,000
Maximum New Securities to be issued under the Offer	36,446,332	14,166,667	36,446,332	14,166,667	Nil
Total on issue after the Offer	182,231,659	159,951,994	51,558,832	29,279,167	2,900,000

Note

1 This assumes that the maximum number of New Securities under the Offer is issued, no further Shares are issued and that none of the Options currently on issue have been exercised.

2 This assumes that the minimum number of New Securities under the Offer is issued, no further Shares are issued and that none of the Options currently on issue have been exercised.

1.3 Renounceable Offer and Entitlements trading

The Offer is renounceable. Accordingly, there will be trading of Entitlements on ASX meaning Shareholders may choose to sell or transfer all or any part of their Entitlements instead of paying the subscription price for the New Securities.

Entitlements trading will commence on 10 May 2013 and end on 28 May 2013.

This does not mean you have to sell your existing Shares. Your Entitlements to subscribe for New Securities may be sold or transferred without selling the Shares you presently hold.

Shareholders who do not take up their Entitlements will find that their Entitlements will lapse in which case the:

- (a) Directors may allocate Additional Securities to those Eligible Shareholders who have applied for Additional Securities in addition to their Entitlements; or
- (b) Shortfall will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

1.4 **Underwriting**

This Issue is partly underwritten to the value of \$2.125 million (14,166,667 New Shares) (**Underwritten Amount**) by Patersons Securities Limited ACN 008 896 311. A summary of the Underwriting Agreement is set out in Section 9.1 of this Prospectus.

1.5 **Applying for Additional Securities**

Entitlements not taken up may become available as Additional Securities. Eligible Shareholders may, in addition to their Entitlements, apply for New Securities over and above their Entitlement at the Issue Price (**Additional Securities**) regardless of the size of their present holding.

It is possible, particularly if there is an active Entitlements trading market, that there will be few or no Additional Securities available for issue. It is an express term of the Offer that applicants for Additional Securities will be bound to accept a lesser number of Additional Securities allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest. The Company and the Underwriter reserve the right to scale back any applications for Additional Securities in their absolute discretion.

The Directors also reserve the right to issue any New Shares and Attaching Options not allocated under the Offer within 3 months of the Closing Date of the Offer at a price not less than the Issue Price.

1.6 **Rights attaching to the New Securities**

The New Shares will rank in all respects with the other listed fully paid ordinary shares in Metallica.

A summary of the rights attaching to the New Shares and Attaching Options is set out in Section 10.2.

1.7 **Official Quotation of the New Shares**

Metallica has applied to the ASX on the date of this Prospectus for the New Shares to be granted Official Quotation on the ASX.

It is anticipated that New Shares will commence trading on a normal basis on 12 June 2013.

The Company does not intend to apply for quotation of the Attaching Options.

1.8 **Limitation on Offer**

This Prospectus does not constitute an offer or an invitation to subscribe for, any New Securities in any place which, or to any person to whom, it would be unlawful to make such an

offer or invitation. No action has been taken to register or qualify the New Securities or to otherwise permit a public offering of the New Securities outside Australia or New Zealand.

Only Eligible Shareholders with registered addresses in Australia or New Zealand on the Record Date may apply for New Securities and Additional Securities under this Prospectus.

1.9 Risk Factors

Investing in Metallica involves some risk. There are a number of factors, both specific to Metallica and of a general nature, which may affect the future operating and financial performance of Metallica. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of Metallica, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about subscribing for the New Securities, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

The New Securities offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of Metallica should not necessarily be considered a guide to their future performance.

As with any equity investment, substantial fluctuations in the value of your investment in Metallica may occur. This Prospectus does not set out all the risks you may face in applying for, and holding, New Securities.

Further details of the risks relevant to the Company and its operations are located in section 7 of this Prospectus.

1.10 Foreign Investment condition

Metallica's largest Shareholder, Jien Mining Pty Ltd (**Jien Mining**) has agreed to participate in the Offer by sub-underwriting \$2 million (13,333,333 New Shares). Jien Mining is a wholly owned subsidiary of Jilin Jien Nickel Industry Co., Ltd which is listed on the Shanghai Stock Exchange. Jien Mining is a foreign person for the purposes of the FATA and Australia's Foreign Investment Policy as maintained by the FIRB.

Jien Mining has notified the FIRB of its intention to sub-underwrite the Offer for up to \$2 million (13,333,333 New Shares and 13,333,333 Attaching Options). Jien Mining might increase its holding in the Company as a result of being issued New Shares under the Offer and receiving Shares as a result of exercising the Attaching Options and is awaiting written approval from FIRB in relation to this. The Offer will therefore be subject to receipt by Jien Mining of the approval by the FIRB.

1.11 Effect of the Offer on control of the Company

As at the date of this Prospectus, the Underwriter does not beneficially hold any Shares in the Company. The Underwriter is not a related party of the Company as defined in section 228 of the Corporations Act. The Underwriter has entered into various sub-underwriting agreements with sub-underwriters, which includes Jien Mining (**Sub-underwriters**) and the Underwritten Amount is fully sub-underwritten. In the event that Eligible Shareholders do not take up some or all of their Entitlements under the Offer, then a Shortfall will result and the Sub-underwriters may be entitled to subscribe for the Shortfall.

As the Underwritten Amount is fully sub-underwritten, the Underwriter will not acquire voting power in the Company as a result of a Shortfall. In the event that there is a 100% Shortfall (i.e. no Eligible Shareholder applies for its Entitlement), then Jien Mining as a Sub-underwriter of \$2 million worth of Shortfall will increase its voting power from the current level of 19.07% (as at the date of this Prospectus) to 25.85% on subscribing for the full sub-underwriting commitment. Jien Mining has indicated that it will not be taking up its Entitlements as an Eligible Shareholder Jien Mining is sub-underwriting the Offer on substantially the same terms

and conditions as the other Sub-underwriters and will receive a sub-underwriting fee of 5% of the amount sub-underwritten. A summary of the material terms of the sub-underwriting agreement with Jien Mining is set out in Section 9.2.

1.12 Treatment of Ineligible Shareholders

The Offer in this Prospectus is not being extended to any Ineligible Shareholders who are Shareholders, as at the Record Date, whose registered addresses are not situated in Australia or New Zealand because of the small number of Ineligible Shareholders, and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. The Prospectus is sent to the Ineligible Shareholders for information only.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)*. Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia and New Zealand (other than to Eligible Shareholders).

The Company has appointed the Underwriter as Nominee to sell the Entitlements of Ineligible Shareholders who are Shareholders with registered addresses outside of Australia and New Zealand on the Record Date. A summary of the terms of the appointment of the Underwriter as Nominee is set out in Section 9.3.

The proceeds of sale of the Entitlements of the Ineligible Shareholders (in Australian dollars) will be distributed to the Ineligible Shareholders for whose Entitlements have been sold by the Underwriter as Nominee (after deducting the costs of the sale and the distribution of the proceeds).

1.13 Enquiries

If you have any enquiries regarding the Prospectus or the Entitlement, please contact the Company's share registry, Link Market Services Limited on 1300 795 998 (within Australia) or +61 1300 795 998 (outside Australia) or your own financial advisor or stockbroker.

2. Action required of Shareholders

2.1 If you wish to take up all of your Entitlement

The number of New Securities to which you are entitled is calculated as at the Record Date and is shown on the Entitlement and Acceptance Form which accompanies this document.

The Offer may be accepted in whole or in part. If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out in the form.

Shareholders wishing to apply for further New Securities in addition to their Entitlements may indicate the amount they wish to apply for on the Entitlement and Acceptance Form. The Additional Securities will be allocated in accordance with section 1.5 and the Company and the Underwriter reserve the right to scale back any applications for Additional Securities in their absolute discretion. Shareholders can also purchase additional Entitlements on ASX during the Entitlements trading period.

Your acceptance can be given from the Opening Date but must be received no later than 5.00pm (Brisbane time) on the Closing Date, subject to the right of Metallica and the Underwriter to extend the offer period. For important dates please refer to the timetable set out at the beginning of this Prospectus.

No interest will be payable to applicants on Application Moneys and any interest earned thereon will be retained by the Company irrespective of whether any allocation of New Securities is made.

If the Offer does not proceed, Application Moneys will be refunded (without interest) as soon as practicable after the close of the Offer and in any event, not later than 14 days after the close of the Offer.

Cheques or bank drafts should be in Australian dollars and made payable to "Metallica Minerals Limited – Entitlement Offer" and crossed "Not Negotiable".

2.2 If you wish to sell all of your Entitlements

Complete the section marked "Instructions to Your Stockbroker" on the back of the Entitlement and Acceptance form, which accompanies this document, in accordance with the instructions contained on the form and lodge it with your stockbroker.

Entitlement trading will commence on 10 May 2013. Sale of your Entitlements must be completed by 28 May 2013 when Entitlement trading is expected to cease.

2.3 If you wish to take up part of your Entitlement and sell the balance

Please complete the Entitlement and Acceptance Form, which accompanies this document, by inserting the number of New Securities for which you wish to accept (being less than as specified on the Entitlement and Acceptance Form) and complete the section marked "Instructions to Your Stockbroker" on the back of the form in respect of that part of your Entitlement you wish to sell.

Forward the form to your stockbroker together with your cheque or bank draft for the total amount payable in respect of the New Shares accepted.

Cheques or bank drafts should be in Australian dollars and made payable to "Metallica Minerals Limited – Entitlement Offer" and crossed "Not Negotiable".

Entitlement trading will commence on 10 May 2013. Sale of your Entitlements must be completed by 28 May 2013 when Entitlement trading is expected to cease.

2.4 Applying for Additional Securities

Eligible Shareholders are entitled to apply for Additional Securities regardless of their current shareholding. Please refer to section 1.5 for more details.

2.5 Entitlements Not Taken Up

If all or part of your Entitlement lapses you will receive no benefit. Any Shortfall will be allocated to those Shareholders who have applied for Additional Shares or pass to the Underwriter pursuant to the terms of the Underwriting Agreement.

Your Entitlements may have value. You are advised to deal with your Entitlements rather than allow them to lapse.

If you do not wish to take up or trade any part of your Entitlement you are not required to take any further action. The Company and the Underwriter will deal with the Shortfall in accordance with the Underwriting Agreement and under Clause 2.4 (Additional Securities).

2.6 Ineligible Shareholders

The Offer will not be extended to any Ineligible Shareholders who are Shareholders with a registered address outside of Australia or New Zealand as at the Record Date.

However, in order for the Offer to satisfy Listing Rule 7.7.1(c) in respect of a renounceable entitlement offer and pursuant to Section 615 of the Corporations Act, the Company is required to do each of the following:

- (a) appoint a Nominee to arrange for the sale of the Entitlements that would have been given to the Ineligible Shareholders and to account to them for the net proceeds of the sale; and
- (b) advise each Ineligible Shareholder that the Nominee will arrange for the sale of their Entitlements and, if they are sold, for the net proceeds to be sent to the Ineligible Shareholder.

The Company has appointed the Underwriter, as the Nominee for Ineligible Shareholders to undertake the matters set out in paragraphs (a) and (b) above and also Section 9A of the Corporations Act. The Company will advise the Ineligible Shareholders of the matters set out in Listing Rule 7.7.1(c) shortly after the date of this Prospectus.

2.7 Electronic Prospectus

An electronic version of this Prospectus is available online at the Company's website at www.metallicaminerals.com.au.

The Entitlement and Acceptance Form may only be distributed together with a complete and unaltered copy of the Prospectus. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Entitlement and Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Offer period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the

validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from the Company, the Share Registry or a financial advisor.

3. Purpose of the Offer

3.1 Allocation of Funds Raised

The issue of New Securities will raise a maximum of \$5,466,950 and a minimum of \$2,125,000 before Offer costs.

The proposed application of the funds raised by this Prospectus is approximately as follows:

Allocation	Minimum \$	Maximum \$
SCONI Project	430,000	430,000
Mineral Sands and Limestone Projects	300,000	300,000
Working capital and administration costs	1,147,500	4,288,933
Estimated costs of Offer	247,500	448,017
Total	2,125,000	5,466,950

These are estimated expenditures and consequently are subject to change (at the discretion of the directors) in economic and business events, and exploration and feasibility results.

4. Company Projects

Shareholders should review Metallica's latest Annual Report for financial year ending 30 June 2012 and subsequent half-yearly, quarterly reports and ASX releases available on Metallica's website at www.metallicaminerals.com.au or on Metallica's ASX company announcement platform at www.asx.com.au for further details on the Company and its business and other prospects in which Metallica has an interest.

Company Profile

Metallica Minerals is an Australian scandium-cobalt-nickel & zircon-rutile resource development company.

Metallica Minerals was established in 1997 and listed on the Australian Securities Exchange on 23 November 2004. A key focus of the Company is their 100% owned SCONI scandium project located inland of Townsville in North Queensland. Metallica's goal is to become a major, long-term and reliable supplier of scandium.

Company statistics

Issued capital	145,785,327 ordinary shares 15,112,500 options 2,900,000 performance rights which have not vested and are subject to satisfaction of key performance indicators by 30 June 2013
Number of shareholders	2,198
Largest shareholders	Jien Mining Pty Ltd 19.07% Victorian Ferries Pty Ltd 11.93% Golden Breed Pty Ltd 6.65% Bondline Limited 3.37%

Metallica's ASX Listed Investments

ASX Code	Commodity	MLM %
MTE MetroCoal	Coal	30.8%
CBX Cape Alumina	Bauxite	17%

SCONI Project

SCONI formerly known as NORNICO was renamed in mid-2012.

The SCONI Project is located in North Queensland, approximately 250km on sealed roads from Townsville and consists of a number of nickel-cobalt rich and scandium-rich lateritic deposits. The three main deposits in the southern area of SCONI are Greenvale, Lucknow and Kokomo.

Following a comprehensive review of the SCONI project in January 2013, Metallica decided to implement a phased development approach for the project. Under the phased development Metallica plans to develop SCONI in two stages.

SCONI Phase 1

Approximately 200ktpa throughput plant to produce 50-65tpa of Scandium oxide (no nickel-cobalt) processing high grade scandium ores from the Lucknow Deposit.

Phase 1 will be designed to be a commercially standalone project which could form the basis of a much larger Phase 2 expansion at a later date.

A Pre Feasibility Study (**PFS**) for SCONI Phase 1 has been completed. The PFS demonstrated that SCONI Phase 1 is an economically and technically viable project with considerable upside.

SCONI Phase 2

SCONI Phase 1 is intended to be a stand alone project and may lead to the development of a much larger Phase 2 brownfields expansion at a later subject to economic circumstances and approval by the Board of the Company.

Cape York Mineral Sands Project/Urquhart Point Project

Metallica owns 100% of the Cape York Mineral Sands Project and Urquhart Point Project through its fully owned subsidiary Oresome Australia Pty Ltd (**Oresome**). The Cape York Mineral Sands Project is made up of four exploration permits for minerals and eight exploration permits for minerals applications covering approximately 2,000km² of western Cape York.

Oresome also holds one mining lease application over Urquhart Point which is located approximately 5km south west of Weipa in far North Queensland.

Limestone

Metallica purchased Phoenix Lime Pty Ltd in May 2007 which holds the mining leases associated with the Ootann Limeworks and secure the lime and limestone requirements anticipated for the SCONI Project.

Phoenix Lime has since taken on the development of Metallica's six other strategically located limestone holdings (near SCONI, Townsville and Gladstone industrial centres) and applied for new untenured ground with potential high-grade limestone mineralisation suitable for industrial use and commercial development.

Phoenix Lime's primary focus is on developing its current limestone projects within Queensland, with a priority to define the resources available to support the SCONI Project.

Lucky Break

The Lucky Break nickel project, which is located 140km west of Townsville is a joint venture between Metals Finance Limited and Metallica.

5. Details of the Offer

5.1 The Offer

On 7 May 2013 the Company announced a pro rata renounceable rights issue on the basis of one (1) New Share for every four (4) Shares held as at the Record Date at the Issue Price of 15 cents with 1 Attaching Option for each New Share to raise \$5,466,950.

The minimum amount to be raised under the Offer is \$2,125,000 before costs and the maximum amount to be raised is \$5,466,950 before costs.

5.2 Purpose of the Offer

The purposes of making this Offer are to:

- Progress the Company's projects;
- Provide working capital for the Company; and
- Pay the expenses of the Offer (refer Section 5.9).

5.3 Offer Underwritten

The Offer is underwritten by Patersons. Details of the Underwriting Agreement are set out in Section 9 of the Prospectus.

The Company will pay to the Underwriter a fee of 6% of the funds underwritten under the Offer and a management fee of \$60,000. Please see Section 9.1 for a summary of the key terms of the Underwriting Agreement.

5.4 Renounceable Offer

The Offer is renounceable. You may sell all or part of your Entitlements. Any Entitlements not taken up by an Eligible Shareholder or holder of the rights will at the Directors' discretion be allocated to those Shareholders who have applied for Additional Securities in addition to their Entitlement or pass to the Underwriter pursuant to the Underwriting Agreement.

5.5 ASX Limited Listing

On the same date as announcing the Offer, Metallica has applied to the ASX Limited (**ASX**) for the New Shares to be issued pursuant to this Prospectus to be listed for official quotation by the ASX.

In the event that the ASX does not grant permission for the official quotation of the New Shares within 3 months after the date of issue of this Prospectus, none of the New Shares will be allotted or issued unless the ASIC grant Metallica an exception permitting the allotment or issue. If no allotment or issue is made, moneys paid on application for the New Shares will be refunded without interest within the time frame described under the Corporations Act.

The ASX and ASIC take no responsibility for the contents of this Prospectus.

5.6 No Minimum Subscription

There is no minimum subscription to this Offer.

5.7 Treatment of Ineligible Shareholders

The Offer in this Prospectus is not being extended to any Ineligible Shareholders who are Shareholders, as at the Record Date, whose registered addresses are not situated in Australia or New Zealand because of the small number of Ineligible Shareholders, and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. The Prospectus is sent to the Ineligible Shareholders for information only.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)*. Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Securities.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia and New Zealand (other than to Eligible Shareholders).

The Company has appointed the Underwriter as Nominee to sell the Entitlements of Ineligible Shareholders who are Shareholders with registered addresses out of Australia and New Zealand on the Record Date. A summary of the terms of the appointment of the Underwriter as Nominee is set out in Section 9.3.

The proceeds of sale (in Australian dollars) will be distributed to the Ineligible Shareholders for whose Entitlements have been sold by the Underwriter as Nominee (after deducting the costs of the sale and the distribution of the proceeds).

5.8 Proposed Budget

The proposed application of the funds raised by this Prospectus is approximately as follows:

Allocation	Minimum \$	Maximum \$
SCONI Project	430,000	430,000
Mineral Sands and Limestone Projects	300,000	300,000
Working capital and administration costs	1,147,500	4,288,933
Estimated costs of Offer	247,500	448,017
Total	2,125,000	5,466,950

These are proposed expenditures and consequently are always subject to change (at the discretion of the directors) due to economic and business events and exploration and feasibility results.

5.9 Offer Costs

Total costs of the Offer are anticipated to be \$247,500 if the minimum amount of \$2,125,000 (before costs) is raised and \$448,017 if the maximum amount of \$5,466,950 (before costs) is raised comprising professional advisors, underwriting, legal and printing costs.

5.10 Foreign shareholders

As set out in Section 5.7 above, the Offer will not be extended to any Ineligible Shareholders as at the Record Date.

However, in order for the Offer to satisfy Listing Rule 7.7.1(c) in respect of a renounceable entitlement offer and pursuant to Section 615 of the Corporations Act, Metallica is required to do each of the following:

- (1) appoint a nominee to arrange for the sale of the Entitlements that would have been given to the Ineligible Shareholders and to account to them for the net proceeds of the sale; and
- (2) advise each Ineligible Shareholder that the Nominee will arrange for the sale of their Entitlements and, if they are sold, for the net proceeds to be sent to the Ineligible Shareholder.

Metallica has appointed the Underwriter as the Nominee for Ineligible Shareholders to undertake the matters set out in paragraphs (1) and (2) above and also Section 9A of the Corporations Act. Metallica will advise the Ineligible Shareholders of the matters set out in Listing Rule 7.7.1(c) shortly after the date of this Prospectus.

5.11 **Additional Securities**

Eligible Shareholders are entitled to apply for Additional Securities over and above their Entitlement at the Issue Price. The allocation of Additional Securities to those Eligible Shareholders who have applied for Additional Securities will be subject to the expiry of the Entitlements trading period and there being any Shortfall.

Any Entitlements not taken up may become available as Additional Securities. Eligible Shareholders wishing to apply for Additional Securities in addition to the Entitlement as shown on the Entitlement and Acceptance Form may:

- (a) purchase additional Entitlements on ASX during the Entitlement trading period; or
- (b) indicate on their Entitlement and Acceptance Form the Additional Securities they wish to apply for.

Eligible Shareholders may, in addition to their Entitlement, apply for Additional Securities regardless of the size of their present holding. It is possible that there may be few or no Additional Securities available for issue, depending on the level of take up of Entitlements by Shareholders. There is also no guarantee that in the event Additional Securities are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them. The Company reserves the right to scale back any applications for Additional Securities in its absolute discretion and it is an express term of the Offer that applicants for Additional Securities will be bound to accept a lesser number of Additional Securities allocated to them than applied for. If a lesser number is allocated to them, excess application money will be refunded without interest as soon as practicable after all Additional Securities have been issued.

6. Financial Information

6.1 Effect of the Offer on the Company if maximum amount is raised

The principal effects of the Offer if the maximum amount of \$5,466,950 (before costs) is raised will be to:

- (a) Increase cash reserves by approximately \$5,466,950 (before expenses of the Offer, which are estimated at \$448,017); and
- (b) Increase the number of:
 - (1) Shares on issue to 182,231,659; and
 - (2) Options on issue to 51,558,832.

The increase of the cash reserves of the Company as a result of the Offer should provide the Company with sufficient working capital to proceed with its objectives in the foreseeable future. Set out below is the Pro-forma Financial Statement for Metallica assuming the maximum amount is raised (based on unaudited accounts as at 31 December 2012).

	(a) Unaudited 31 December 2012	Effects of Issue	(b) Proforma Unaudited
	\$'000	\$'000	\$'000
Current Assets			
Cash	6,357	5,018	11,375
Receivables and inventories	294		294
Term deposits	1,201		1,201
Total current assets	7,852	5,018	12,870
Non-Current Assets			
Investments	13,973		13,973
Property, plant and equipment	222		222
Exploration expenditure	38,031		38,031
Other	224		224
Total non-current assets	52,500		52,500
Total Assets	60,352	5,018	65,370
Current Liabilities			
Accounts payable	1,545		1,545
Borrowings	1,000		1,000
Provisions	293		293
Total current liabilities	2,838		2,838
Non-Current Liabilities	56		56
Deferred tax liabilities	9,175		9,175
Total liabilities	12,069		12,069
Net Assets	48,283	5,018	53,301
Share capital	28,113	5,466	33,579
Reserves	7,891		7,891
Retained Earnings	12,279	(448)	11,831
Shareholders' Equity	48,283	5,018	53,301

6.2 Effect of the Offer on the Company if minimum amount is raised

The principal effects of the Offer if the minimum amount of \$2,125,000 (before costs) is raised will be to:

- (a) Increase cash reserves by approximately \$2,125,000 (before expenses of the Offer, which are estimated at \$247,500); and
- (b) Increase the number of:
 - (1) Shares on issue to 159,951,994; and
 - (2) Options on issue to 29,279,167.

The increase of the cash reserves of the Company as a result of the Offer should provide the Company with sufficient working capital to proceed with its objectives in the foreseeable future. Set out below is the Pro-forma Financial Statement for Metallica assuming the minimum amount is raised (based on unaudited accounts as at 31 December 2012).

	(a) Unaudited 31 December 2012	Effects of Issue	(b) Proforma Unaudited
	\$'000	\$'000	\$'000
Current Assets			
Cash	6,357	1,877	8,234
Receivables and inventories	294		294
Term deposits	1,201		1,201
Total current assets	7,852	1,877	9,729
Non-Current Assets			
Investments	13,973		13,973
Property, plant and equipment	222		222
Exploration expenditure	38,031		38,031
Other	224		224
Total non-current assets	52,500		52,500
Total Assets	60,352	1,877	62,229
Current Liabilities			
Accounts payable	1,545		1,545
Borrowings	1,000		1,000
Provisions	293		293
Total current liabilities	2,838		2,838
Non-Current Liabilities	56		56
Deferred tax liabilities	9,175		9,175
Total liabilities	12,069		12,069
Net Assets	48,283	1,877	50,160
Share capital	28,113	2,125	30,238
Reserves	7,891		7,891
Retained Earnings	12,279	(248)	12,031
Shareholders' Equity	48,283	1,877	50,160

7. Risk Factors

7.1 Introduction

Investors should be aware that an investment in Metallica involves many risks and these risks may be higher than the risks associated with an investment in other companies. Like all businesses, activities of Metallica are subject to risks which may impact on its future performance. The future performance of Metallica and the future investment performance of the New Shares may be influenced by a range of factors, many of which are outside the control of the Board and Metallica.

Careful consideration should be given to these risk factors, as well as the other information contained in this Prospectus and the Shareholders own knowledge and enquiries, before an investment decision is made. Some of the risks may be mitigated by Metallica using safeguards and appropriate systems and taking certain actions. Some of the risks may be outside the control of Metallica and not capable of mitigation. There are also general risks associated with any investment in shares. The risks listed should not be taken as exhaustive of the risks faced by Metallica. Factors other than those listed may in the future materially affect the financial performance of Metallica and the value of the New Shares offered under this Prospectus.

As with any equity investment, substantial fluctuations in the value of your investment in Metallica may occur. This Prospectus does not set out all the risks you may face in applying for, and holding, New Securities. Investors should read this Prospectus in its entirety and consult their professional advisers before deciding whether to accept the offer for New Securities.

7.2 General Risks

Investing in Metallica involves some risk. There are a number of factors of a general nature such as share market risk, general economic conditions, exchange rate risks, unforeseen expenses and share price fluctuations, which may affect the future operating and financial performance of Metallica. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about taking up your Entitlements, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.

The New Securities offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of Metallica should not necessarily be considered a guide to their future performance.

7.3 Specific Risks

The New Shares that are to be issued pursuant to this Prospectus are speculative because of the nature of the business of Metallica as a mineral exploration and development company. A summary of the risks Metallica is exposed to as a mineral exploration company are set out below:

Financing

In order to proceed with the development of any of its projects, and (unless the Company elects to reduce its tenement portfolio) in order to comply with the minimum expenditure requirements in respect of its tenements, Metallica is likely to be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise capital when it is required or that the terms associated with providing such capital will be satisfactory to Metallica, which may prejudice Metallica's ongoing ability to participate in these projects.

Ability to attract new investors

The Company has disclosed in Section 10.4 Excluded Information as required under Section 713(5) of the Corporations Act. The Excluded Information relates to early discussions that the Company is currently holding with various overseas investors in relation to investing in the Company and the development and financing of the SCONI Project. While the Company will use its best endeavours to negotiate satisfactory terms with the potential investors, the Company cannot guarantee that it will reach final agreement with the potential investors in order to enter into any binding agreements.

Operational Risks

The operations of Metallica may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological conditions, environmental hazards, technical and equipment failures, flooding and extended interruptions due to inclement or hazardous weather or other physical conditions, unavailability of drilling equipment, unexpected shortages of consumables or parts and equipment, fire, explosions and other incidents beyond control of Metallica.

Land Access Risk

Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective tenements is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the *Native Title Act 1993 (Cth)* (NTA) (or similar legislation in the jurisdiction where the Company operates). Rights to mineral tenements carry with them various obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area.

The Impact of Native Title and Land Access to Tenements

Native title in Australia is governed by the NTA and by complementary state legislation. The NTA provides a regime that enables persons claiming to hold native title to lodge a claim to that effect for determination. The NTA also provides for the determination of native title rights, their extinguishment, and for processes to deal with those rights in accordance with specific categories of acts that have occurred including “past acts” (before 1 January 1994), “intermediate period acts” (occurring between 1 January 1994 and 23 December 1996), and “future acts.” Under this regime, native title is extinguished by grants of private freehold title and exclusive possession tenures.

The effect on each tenement will depend on the nature of the tenement, the date of its grant or proposed grant, and the nature of the underlying land tenures.

The effect of the NTA is that existing and new tenements held by Metallica may be affected by native title claims and procedures. There is a potential risk that a determination could be made that native title exists in relation to land the subject of a tenement held by Metallica which may affect the operation of Metallica’s business and development activities. In the event that it is determined that native title does exist or a native title claim has been registered, Metallica may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement. The involvement in the administration and determination of native title issues may have a material adverse impact on the position of Metallica in terms of cash flows, financial performance, business development, ability to pay dividends and the share price.

Aboriginal Sites of Significance

Commonwealth and State Legislation in Australia allow for the protection of sites of significance to Aboriginal custom and tradition. Metallica proposes to carry out “clearance surveys” prior to conducting any exploration work that would cause a disturbance to the land surface. Tenements may contain some such sites of significance which would need to be avoided when carrying out field programmes. It is possible that such areas where sacred sites exist may contain mineralisation or an economic resource which would therefore remain unexploited.

Environmental Regulation and Risks

Metallica’s operations and projects are subject to Australian State, Federal laws and regulations, regarding environmental compliance and relevant hazards. These laws and regulations set standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards. They also establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

Significant liability could be imposed on Metallica for damages, clean up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by Metallica, or non compliance with environmental laws or regulations. Metallica proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage. There is also a risk that the environmental laws and regulations may become more onerous, making Metallica operations more expensive.

Government Policy and Taxation

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and government policies in Australia (at both Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of both Metallica and the entities in which it invests. These factors may ultimately affect the financial performance of Metallica and the market price of its securities.

In addition to the normal level of income tax imposed on all industries, Metallica may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

Reliance on Key Personnel

Whilst Metallica has a small senior management and technical team, its progress in pursuing its exploration and evaluation programmes within the time frames and within the costs structure as currently envisaged could be dramatically influenced by the loss of key personnel. The resulting impact from such loss would be dependent upon the quality and timing of the replacement of such personnel.

Although the key personnel of Metallica have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring, evaluating and developing mineral prospects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

Tenement Risks

All mining licences and exploration permits in which Metallica has an interest will require renewal from time to time. Given that the terms on which Metallica permits are granted or renewed (if at all) are generally at the discretion of the relevant governmental or administrative

authority, there is a risk that any exploration permit held by Metallica may not be renewed in the future, or that any application for grant may be refused, and that Metallica may be unable to comply with legislative or regulatory requirements to retain title to its permits or applications. If for any reason a licence or permit is not renewed then Metallica may suffer damage and as a result may be denied the opportunity to develop certain mineral resources.

Tenements carry with them various obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain a permit for a given tenement. As a means of managing its expenditure obligations on its Tenements, the Company constantly reviews its exploration portfolio, ensuring that it keeps the most prospective areas having regard to its finances and plans. Part of this review may involve reducing its landholding over time.

The introduction of new legislation or amendments to existing legislation by governments or the application of developments in the common law of Australia could impact adversely on the assets, operations and ultimately the financial performance of Metallica and its Shares.

Exploration, development and Production

Tenements in which Metallica has an interest are at various stages of exploration and development and potential investors should understand that mineral exploration is a high risk undertaking. There can be no assurance that exploration of the project areas described in this Prospectus, or any other permits that Metallica may acquire an interest in, will result in the discovery of an economic mineral reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be commercially exploited.

Even if Metallica recovers potentially commercial minerals, there is no guarantee that Metallica will be able to successfully transport the minerals to commercially viable markets or sell the minerals to customers to achieve a commercial return.

In addition, with respect to operations, Metallica operates in some remote locations within Australia and challenging geographical conditions. Therefore some exploration and development costs maybe higher in such jurisdictions due to a number of factors including limitations on the number of available suppliers of services required by Metallica, climatic and geographical conditions. Metallica has a careful tender process for drilling and exploration programs. However, no assurances can be given that Metallica will be successful in mitigating all of these risks and there is a risk that exploration costs may escalate beyond budget anticipations.

Speculative Nature of Investment

The above list of risk factors should not to be taken as exhaustive of the risks faced by Metallica or by investors in Metallica. Shareholders should consider that the investment in Metallica is speculative and should consult their professional advisers before deciding whether to apply for the New Securities.

Whether or not future income will result from projects undergoing exploration programmes is dependant on the successful results of that exploration and on the subsequent establishment of development and production operations or sale of the projects. Factors including costs, equipment availability, and mineral prices affect successful project development as does the design and construction of efficient exploration facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect Metallica's operations and particularly the trading price of the Shares on the ASX.

FIRB approval

Jien Mining has agreed to participate in the Offer by sub-underwriting up to \$2 million worth of the Shortfall under the Offer. Jien Mining has notified the FIRB of the sub-underwriting agreement and that it will increase its shareholding in Metallica as a result of taking up New Shares under the sub-underwriting agreement. Jien Mining is awaiting the issue by the FIRB of its written approval to the increase of its shareholding in Metallica as a result of the sub-underwriting by Jien Mining. While Metallica will do all that it reasonably can to ensure that FIRB approval is granted, no guarantee can be given that FIRB approval will be granted or that it will be granted on terms satisfactory to Jien Mining or Metallica.

8. Acceptance of Entitlements

8.1 How to Apply

All applications for New Securities must be on the Entitlement and Acceptance Form issued and attached to this Prospectus.

Payment for the New Securities must be made in full at the Issue Price.

Cheques should be in Australian currency and made payable to "Metallica Minerals Limited" and crossed "not negotiable". No brokerage or handling fees are payable by the Applicant for Shares offered by this Prospectus.

Completed Entitlement and Acceptance Forms and accompanying cheques should be lodged at the following address:

Metallica Minerals Limited Rights Issue
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

Or

Metallica Minerals Limited Rights Issue
C/- Link Market Services Limited
1A Homebush Drive
Rhodes NSW 2138

8.2 Opening and Closing Date of the Offer

The Offer will open for acceptances on Opening Date on 21 May 2013 at 8.30am (Brisbane time). The Closing Date for receipt of Entitlement and Acceptance Forms will be 4 June 2013 at 5pm (Brisbane time). The Directors of the Company have reserved the right to extend the closing date should it be considered by them necessary to do so.

8.3 Entitlement Not Taken Up

You may accept this offer in whole or in part. The Directors may at their discretion allocate Additional Shares for which Entitlements have lapsed to Shareholders who have applied for New Securities in addition to their Entitlement. The Underwriter may be required to lodge or cause to be lodged Entitlement and Acceptance Forms together with subscription moneys in respect of the New Shares resulting from any Shortfall from the Offer at the Issue Price.

8.4 Allotment of New Securities

Allotment of the New Securities will take place as soon as practicable and no later than 6 Business Days after the closing date of the Offer. Application moneys will be held in a subscription account until allotment. This account will be established and kept by the Company in trust for each applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

The New Securities will be allotted and statements of securities holdings dispatched to holders as soon as possible after determination by the Company of entitlements.

If no allotment or issue is made, all moneys paid on application for the New Securities will be refunded without interest within the time period set out under the Corporations Act.

9. Material Contracts to the Offer

9.1 Underwriting Agreement

The Company has appointed Patersons Securities Limited (**Underwriter**) to underwrite the Offer on the terms and conditions contained in the underwriting agreement dated 6 May 2013 (**Underwriting Agreement**). The Underwriter has agreed to underwrite the Offer to the extent of the Underwritten Amount of \$2,125,000.

Set out below is a summary of the material terms of the Underwriting Agreement.

The Company must pay to the Underwriter a fee of 6% of the Underwritten Amount. All sub-underwriting and selling fees to third parties will be met from this fee. All sub-underwriting fees will be paid by the Underwriter directly to the sub-underwriters with the exception of the sub-underwriting fee for Jien Mining. The sub-underwriting fee for Jien Mining will be paid by the Company from funds that have been reimbursed to the Company from the Underwriter to pay the sub-underwriting fee directly to Jien Mining.

The Company must also pay the Underwriter a management fee of \$60,000 for services provided in relation to the Offer. In addition to these fees, the Company must also pay all costs and expenses of and incidental to the Offer.

The Underwriter has discretion to terminate the Underwriting Agreement for reasons that are standard in agreements of this nature.

9.2 Sub-underwriting arrangement with Jien Mining

Jien Mining has agreed to sub-underwrite \$2 million of Shortfall securities under the Offer (13,333,333 New Shares with 13,333,333 Attaching Options) on the same terms and conditions as the other sub-underwriters and will be paid a sub-underwriting fee of 5% of the sub-underwritten amount. The sub-underwriting agreement with Jien Mining provides that no previous applications (such as taking up any Entitlement as an Eligible Shareholder) will offset or otherwise reduce the sub-underwriting commitment of Jien Mining who has indicated to the Company that it does not intend to take up any Entitlements in its capacity as an Eligible Shareholder. Accordingly, the maximum amount Jien Mining will be applying for under the Offer will be its sub-underwriting commitment of \$2 million.

9.3 Appointment of Patersons as Nominee

The Company has appointed the Underwriter as the nominee to the Offer in respect of the Entitlements of the Ineligible Shareholders. As the Offer is a renounceable rights issue the Company is required to appoint a foreign nominee to arrange for the sale of the Entitlements that Ineligible Shareholders would have been entitled to. The Nominee is required to account to the Ineligible Shareholders the net proceeds of the sale.

The Company will pay the Underwriter \$3,000 and a brokerage fee of 1% for their role as the Nominee with the amount capped at \$5,000.

The number of Entitlements that the Company will transfer to Patersons will be the same number of Entitlements that would have been available to Ineligible Shareholders if they were able to participate in the Offer.

If, in the reasonable opinion of the Underwriter, there is no market, or no viable market, for the Entitlements of Ineligible Shareholders (**Excluded Rights**), or a surplus of sale proceeds over the expenses of the sale of Excluded Rights cannot be obtained, then the Excluded Rights will be allowed to lapse and they will form part of the Shortfall.

9.4 Inspection

Copies of the above material contracts and the consents referred to in Section 10 may be inspected at the registered office of the Company at 71 Lytton Road, East Brisbane QLD 4169.

10. Other Material Information

10.1 Disclosing Entity

Because the Shares of Metallica are quoted on the ASX, Metallica is a "disclosing entity" for the purpose of the continuous disclosure regime under the Corporations Act. Amongst other consequences this means that Metallica is subject to regular reporting and disclosure obligations under the Corporations Act in addition to the Listing Rules.

The Corporations Act requires Metallica as a disclosing entity to comply with the reporting and disclosure obligations of the Listing Rules and makes it an offence for Metallica not to comply in certain circumstances.

In addition, the Corporations Act requires Metallica as a disclosing entity to comply with the accounting and financial reporting requirements of the Corporations Act for the half year and full year accounting periods. These financial statements, together with a Directors statement and report and an audit or reviewed report must be lodged with ASIC.

10.2 Rights attaching to New Shares

A summary of the rights which relate to any New Shares issued under this Offer pursuant to this Prospectus is set out below. This summary does not purport to be exhaustive or constitute a definitive statement of the rights and liabilities of the Company's shareholders.

- (a) Voting - At a general meeting of the Company on a show of hands, every member present in person or by proxy, attorney or representative has one vote and upon a poll, every member present in person or by proxy, attorney or representative has one vote for every share held by him.
- (b) Dividends - The shares will rank equally with all other issued shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of ordinary shares in proportion to the shares held by them irrespective of the amount paid up or credited as paid up thereon. The Company, on recommendation of the directors, may from time to time declare a dividend to be paid to shareholders according to their rights and interests in the profits and the directors may fix the time for payment of dividend. The directors may from time to time pay to shareholders such interim dividends as in their judgement the position of the company justifies.
- (c) Winding Up - Upon exercising the option to subscribe for shares in the Company and paying the application moneys, shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.
- (d) Transfer of Shares - Generally, fully paid shares in the Company are freely transferable, subject to satisfying the usual requirements of share transfers on the ASX Limited. The directors may decline to register any transfer where:
 - (1) the registration of the transfer would result in a contravention of or failure to observe the provisions of a law of a State or Territory or of the Commonwealth;
 - (2) the Company has a lien on the shares the subject of the transfer;
 - (3) the transfer is in respect of a partly paid share in respect of which a call has been made and is unpaid;

- (4) the transfer would, at the date of acquisition create a new shareholding of less than a marketable parcel, provided that there shall be no restriction on the transfer of shares lodged for registration in the name of the nominee company of a stock broker who is recognised as an "odd lot" broker by the ASX; and
 - (5) more than 3 persons are to be registered as joint holders except in the case of executors or trustees of a deceased shareholder.
- (e) Dividend Policy - The Company's ability to pay dividends depends on such factors as the earnings, taxation and financial position of the Company. It is the current intention of the Directors to pay dividends if the profitability of the Company operations allows it. The Directors do not presently believe any dividend will be payable in the foreseeable future and can give no assurance as to future dividends or distributions.

10.3 Rights attaching to Attaching Options

- (a) The Attaching Options are issued as part of the Offer on the basis of 1 Attaching Options for each New Share, no further consideration other than the payment of the Issue Price will be payable by Eligible Shareholders for the Attaching Options;
- (b) The exercise price of each Attaching Option is 25 cents (**Exercise Price**);
- (c) The Attaching Options will expire on 30 September 2014 (**Expiry Date**) unless earlier exercised;
- (d) The Attaching Options will not be transferable in whole or in part and may not be exercised by any other person (except, in the case of the Attaching Option holder's death, by his or her legal personal representative);
- (e) The Attaching Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price per Attaching Option to the Company at any time on or after the date of issue of the Attaching Options and on or before the Expiry Date;
- (f) The number of Attaching Options that may be exercised at one time must be not less than 50,000;
- (g) Upon the valid exercise of the Attaching Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares;
- (h) Attaching Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Attaching Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Attaching Options, in accordance with the requirements of the Listing Rules.
- (i) Attaching Option holders do not participate in any dividends unless the Attaching Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
- (j) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) the number of Attaching Options, the Exercise Price of the Attaching Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred

on the holders of the Attaching Options which are not conferred on shareholders; and

- (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Attaching Options will remain unchanged;

- (k) If there is a pro rata issue (except a bonus issue), the Exercise Price of an Attaching Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

- (1) Where:

(2) On = the new exercise price of the Attaching Option;

(3) O = the old exercise price of the Attaching Option;

(4) E = the number of underlying securities into which one Attaching Option is exercisable;

(5) P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;

(6) S = the subscription price for a security under the pro rata issue;

(7) D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

(8) N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (l) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Attaching Option is exercisable may be increased by the number of shares which the Attaching Option holder would have received if the Attaching Option had been exercised before the record date for the bonus issue;

- (m) The terms of the Attaching Options may only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the Attaching Options must not be changed to reduce the Exercise Price, increase the number of Attaching Options or change any period for exercise of the Attaching Options;

- (n) The Company does not intend to apply for listing of the Attaching Options on the ASX; and

- (o) The Company must apply for listing of the resultant shares of the Company issued upon exercise of any Attaching Option.

10.4 Excluded information under Section 713(5)

Section 713(5) of the Corporations Act specifically deals with excluded information and requires excluded information about the Offer to be set out in the Prospectus if the information:

- (a) has been excluded from a continuous disclosure notice in accordance with the Listing Rules of the ASX; and

- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (2) the rights and liabilities attaching to the New Securities,

(Excluded Information).

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus.

In accordance with the requirements of Section 713(5) of the Corporations Act, the Company advises that it is currently in discussions and negotiations with various potential overseas investors (**Potential Investors**) in relation to:

- (a) potential equity investments by the Potential Investors in the Company;
- (b) potential investments by the Potential Investors in the funding of the definitive feasibility study for the SCONI Project and the development and financing of the Company's SCONI Project.

(Investor Discussions).

The Investor Discussions are at initial stages only and no agreement in principle or finalised binding agreements have been signed or agreed upon between the Company and the Potential Investors. While the Company will use its best endeavours to negotiate satisfactory terms with the Potential Investors, the Company cannot guarantee that it will reach final agreement with the Potential Investors in order to enter into any binding agreements.

The Company is not aware of any of other Excluded Information other than disclosed in this Prospectus.

10.5 **Related party transactions**

From time to time the Company may be party to transactions with related parties. The Company believes that it has made appropriate disclosure of past related party transactions and other than any further disclosure specifically set out below or made elsewhere in this Prospectus, the Company does not intend to make any further disclosure of such transactions.

10.6 **Interests of Experts and Advisors**

The nature and extent of the interests (if any) that:

- (a) a person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;
- (b) a promoter of Metallica; or
- (c) a stockbroker or underwriter (but not a sub-underwriter) to the Offer;

holds, or held at any time during the last two years in:

- (1) the formation or promotion of Metallica;
- (2) property acquired or to be acquired by Metallica in connection with:
 - (A) its formation or promotion; or

(B) the Offer,

is set out in Sections 9 and 10.

- (d) The amount that anyone has paid or agreed to pay, or the nature and value of any benefit anyone has given or agreed to give for services provided by:
- (1) a person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;
 - (2) a promoter of Metallica; or
 - (3) a stockbroker or underwriter (but not a sub-underwriter) to the Offer;

in connection with:

- (4) the formation or promotion of Metallica; or
- (5) the Offer,

is set out in Sections 9 and 10.

10.7 Director's interests

The Directors of Metallica are paid Director's fees in accordance with normal corporate practice.

The table below shows the relevant interest of each Director in securities of Metallica as at the date of this Prospectus.

Name of Director	Fully Paid Shares	Options
David Barwick	Nil	1,000,000
Andrew Gillies	10,360,000	1,000,000
Barry Casson	Nil	1,000,000
Wu Shu	Nil	Nil
John Haley	25,000	1,000,000
Tao Li (alternate to Wu Shu)	Nil	1,000,000

Some of the Directors may take up some of their Entitlements in the Offer by way of subscription for New Securities. Some of the Directors may exercise their options to enable them to further participate in this Offer.

Work undertaken by Directors of Metallica (other than in their capacity as Directors) is paid such remuneration (if any) as determined by the Boards of Metallica commensurate with their level of experience and the work undertaken.

The nature and extent of the interest (if any) that the Directors of Metallica hold, or held at any time during the last 2 years in:

- (a) the formation or promotion of Metallica;
- (b) property acquired or to be acquired by Metallica in connection with:
 - (1) its formation or promotion; or

- (2) the Offer,

is set out in Sections 9 and 10.

The amount (if any) that anyone has paid or agreed to pay, or the nature and the value of any benefit anyone has given or agreed to give to a Director of Metallica, or proposed director of Metallica:

- (a) to induce them to become, or to qualify as, a Director of Metallica; or
- (b) for services provided by a director in connection with:
 - (1) the formation of Metallica; or
 - (2) the Offer,

is set out in Sections 9 and 10.

10.8 Privacy

By submitting an Entitlement and Acceptance Form for shares you are providing to Metallica personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

Metallica maintains the register of members of the Company through Link Market Services Limited an external service provider. Metallica requires Link Market Services Limited to comply with the National Privacy Principles with performing these services. The Company's register is required under the Corporations Act to contain certain personal information about you such as your name and address and number of shares and options held. In addition Metallica collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning Metallica.

Metallica understands how important it is to keep your personal information private. Metallica will only disclose personal information we have about you:

- (a) when you agree to the disclosure;
- (b) when used for the purposes for which it was collected;
- (c) when disclosure is required or authorised by law;
- (d) to other members of the Metallica group of companies;
- (e) to your broker
- (f) to external service suppliers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by Metallica and Link Market Services Limited, except in limited circumstances. If you wish to access, update or correct your personal information held by Link Market Services Limited or by Metallica please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

10.9 **Litigation**

Metallica are not engaged in any litigation which has or would be likely to have a material adverse effect on either Metallica or its business.

10.10 **Subsequent Events**

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus or disclosed to the ASX which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of Metallica;
- (b) the results of those operations; or
- (c) the state of affairs of Metallica.

10.11 **Limitation on foreign ownership**

- (a) The only limitations under Australian law on the rights of non-Australian residents to hold or vote shares in an Australian company are set forth in the FATA. The FATA regulates acquisitions giving rise to ownership of substantial amounts of a company's shares. The FIRB has also issued Australia's Foreign Investment Policy which sets out certain policy requirements by FIRB for the investment in Australia of foreign persons including foreign government investors.
- (b) The FATA prohibits:
 - (1) any natural person not ordinarily resident in Australia; or
 - (2) any corporation in which either a natural person not ordinarily resident in Australia or a foreign corporation (as defined in the FATA); or
 - (3) two or more such persons or corporations,from entering into an agreement to acquire Shares if after the acquisition such person or corporation would hold a substantial interest in a corporation, or where two or more persons or corporations would hold an aggregate substantial interest (defined below), without first applying in the prescribed form for approval thereof by the Australian Treasurer and receiving such approval or receiving no response in the 40 days after such application was made.
- (c) A holder will be deemed to hold a substantial interest in a corporation if the holder alone or together with any associates (as defined in the FATA) is in a position to control not less than 15 percent of the voting power in the corporation or holds interests in not less than 15 percent of the issued Shares in that corporation. Two or more holders hold an aggregate substantial interest in a corporation if they, together with any associates (as so defined), are in a position to control not less than 40 percent of the voting power in that corporation or hold not less than 40 percent of the issued Shares in that corporation. The Constitution of the Company contains no limitations on a non-resident's right to hold or vote the Company's Shares.

10.12 **Liability of other persons named in this Prospectus**

HopgoodGanim are named in the Corporate Directory as Solicitors to the Offer. As such, they have been involved in reviewing this Prospectus for consistency with the Material Contracts.

In doing so, they have placed reasonable reliance upon information provided by the Company to them, however, they do not make any other statement in this Prospectus. HopgoodGanim will be paid for work performed in accordance with usual time based charge out rates and presently estimate their fees at the date of this Prospectus at \$40,000.

Link Market Services Limited has had no involvement in the preparation of any part of this Prospectus other than the recording of its name as Share Registrar of Metallica. Link Market Services Limited has not authorised or caused the issue of this Prospectus. Link Market Services Limited will be paid for work performed in accordance with usual costs and charge out rates and presently estimate their fees at the date of this Prospectus at \$20,000.

Patersons Securities Limited has given, and at the time of lodgement of this Prospectus, has not withdrawn its consent to be named as Lead Manager, Nominee and Underwriter to the offer of securities under this Prospectus, in the form and context in which it is named.

Patersons Securities Limited was not involved in the preparation of any part of this Prospectus and did not authorise or cause the issue of this Prospectus. Patersons Securities Limited makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offer and does not make any statement in this Prospectus, nor is any statement in it based on any statement made by Patersons Securities Limited. To the maximum extent permitted by law, Patersons Securities Limited expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than the reference to its name.

Each of HopgoodGanim Lawyers, Link Market Services Limited and Patersons Securities Limited has not

- authorised or caused the issue of this Prospectus;
- made, or purported to have made, any statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this section; or
- assumed the responsibility for any part of this Prospectus except as set out in this section and to the maximum extent permitted by law, expressly disclaims responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the offer of Securities pursuant to this Prospectus; or
- the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of Securities pursuant to this Prospectus.

10.13 Inspection of Documents

Copies of documents lodged with the ASIC in relation to Metallica may be obtained from, or inspected at, an office of the ASIC.

In addition Metallica will make available, free of charge, to any applicant for New Securities who ask for it in the period prior to the closing date of the Offer, a copy of any of the following documents:

- (a) The annual financial reports of Metallica for the year ending 30 June 2012 (being the last annual financial reports lodged with the ASIC before the issue of this Prospectus);
- (b) The half-year financial reports of Metallica for the half-year ended 31 December 2012 (being the last half-year reports lodged with ASIC before the issue of this Prospectus);
- (c) Metallica's quarterly reports lodged with the ASX for the periods ending 30 September 2012, 31 December 2012 and 31 March 2013; and
- (d) Any documents used to notify the ASX of information relating to Metallica after 30 June 2012 under the provisions of the Listing Rules which require Metallica to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the ASX.

10.14 ASX Announcements

The following ASX Announcements have been issued in relation to Metallica since 13 April 2012:

02/05/2013	Trading Halt
11/04/2013	Quarterly Report for period ending 31 March 2013
09/04/2013	Investor Presentation 20/20 Forum
03/04/2013	Broadcast Interview
03/04/2013	Quarterly Cashflow Report
03/04/2013	Appendix 3B
02/04/2013	Appendix 3Y - Gillies
28/03/2013	MLM ASX SCONI PFS
26/02/2013	Interim Financial Report 31 December 2012
07/02/2013	Boardroom Radio Interview
31/01/2013	Quarterly Activities Report
29/01/2013	Quarterly Cashflow Report
27/12/2012	Appendix 3B-amended from as lodged 21 December
21/12/2012	Appendix 3B-replacing 21 December-on new Appendix 3B
20/12/2012	Appendix 3B
17/12/2012	Gippsland Project Option lapses
04/12/2012	Mines and Money Presentation - London
29/11/2012	Letter to Shareholders
23/11/2012	Results of Meeting-AGM 2012
20/11/2012	Change in substantial holding
19/11/2012	SCONI finance advisors appointed
15/11/2012	\$2.6 million R & D refund received
13/11/2012	Form 484
12/11/2012	Cash and investments update
12/11/2012	Appendix 3B
12/11/2012	Cleansing Statement
07/11/2012	SCONI scandium oxide successfully used in Master Alloy
05/11/2012	Metallica closes placement for \$3.3 million
05/11/2012	Reinstatement to Official Quotation
02/11/2012	Suspension from Official Quotation
31/10/2012	Mining 2012 Presentation
31/10/2012	Quarterly Report for period ending 30 September 2012

30/10/2012	Trading Halt
30/10/2012	Proxy Form
18/10/2012	Annual Report to Shareholders
18/10/2012	Notice of Annual General Meeting
17/10/2012	Boardroom Radio Interview
16/10/2012	Revised SCONI Scoping Study
15/10/2012	SCONI metallurgical testwork successfully completed
08/10/2012	Appendix 3Y - Gillies
05/10/2012	Appendix 3Y - Gillies
03/10/2012	Boardroom Radio Interview
03/10/2012	MOU Strategic Alliance - KBM Affilips
02/10/2012	Boardroom Radio Interview
02/10/2012	Appendix 5B
02/10/2012	Amended Trading Policy
02/10/2012	Binding HOA Scandium Offtake - Bloom Energy
28/09/2012	Trading Halt
24/09/2012	Full Year Statutory Accounts
31/08/2012	Research Report
23/08/2012	Change in substantial holding
22/08/2012	Update on Cash and Listed Investments
14/08/2012	PMQ: Planet Broadens Shareholder Base
14/08/2012	Metallica disposes Planet Metals shares & increases cash
13/08/2012	Gippsland Project Option Acquisition Extension received
06/08/2012	Diggers & Dealers conference presentation
31/07/2012	Quarterly Report for period ending 30 June 2012
27/07/2012	Boardroom Radio Interview
27/07/2012	Name change of flagship project to SCONI
25/07/2012	Boardroom Radio Interview
25/07/2012	Planet Metals Capital Return to Shareholders Approved
25/07/2012	Metallica Produces First High Purity Scandium Oxide
19/07/2012	Noosa Mining conference presentation
18/07/2012	ILUA signed with Gugu Badhun People
05/07/2012	Boardroom Radio Interview
04/07/2012	Metallica accepts Orion Take Over Offer
04/07/2012	NORNICO Scoping Study - Positive
22/06/2012	Metallica release regarding Planet Metals Limited
19/06/2012	Change in substantial holding from ORM
18/06/2012	Becoming a substantial holder
14/06/2012	NORNICO Project Update
31/05/2012	Orion Metals recommended cash offer of 16 cents per share
31/05/2012	ORM: Recommended 16 Cents Per Share Cash for Orion
17/05/2012	MFC Establishes Dedicated Nickel Development Vehicle
15/05/2012	Appendix 3Y - Gillies
09/05/2012	Quarterly Report Clarification
09/05/2012	Presentation RIU Sydney
30/04/2012	Quarterly Report for period ending 31 March 2012
27/04/2012	Boardroom Radio interview with Managing Director
27/04/2012	Appendix 3Y - Haley

26/04/2012 Maiden Gippsland HMS Zircon-Rutile Resource
26/04/2012 Trading Halt

10.15 **Authorisation**

This Prospectus is issued by Metallica.

Each of the Directors of Metallica has consented to its lodgement with the ASIC.

A handwritten signature in black ink, appearing to read 'David K Barwick', is written over a faint circular stamp or watermark.

.....
David K Barwick – Chairman

7 May 2013

11. Definitions

When reading the Prospectus the following terms have the following meanings:

Additional Securities	Has the meaning given in Section 1.5
Application Money	The moneys required to be lodged with an Entitlement and Acceptance Form by a Shareholder
ASIC	Australian Securities and Investments Commission
Attaching Options	The attaching options being offered under this Prospectus on the basis of 1 attaching option for each New Share and on the terms set out in Section 10.3.
ASX	ASX Limited ACN 008 624 691
Closing Date	5pm (Brisbane time) 4 June 2013
Corporations Act 2001	<i>The Corporations Act 2001</i> (Cth)
Directors	Directors of the Company
Eligible Shareholders	Shareholders with registered addresses in Australia and New Zealand who are entitled to participate in the Offer
Entitlement	An entitlement to subscribe for a New Share for the Issue Price
Entitlement and Acceptance Form	The Entitlement and Acceptance Form accompanying this Prospectus
Excluded Information	Has the meaning given in Section 10.4
FATA	<i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth)
FIRB	Foreign Investment Review Board
Ineligible Shareholder	A Shareholder with a registered address outside of Australia and New Zealand on the Record Date
Issue Price	15 cents per New Share
Jien Mining	Jien Mining Pty Ltd ACN 110 986 797, the Company's major shareholder
Metallica or Company	Metallica Minerals Limited ACN 076 696 092 (ASX: MLM)
New Securities	The New Shares and Attaching Options to be issued pursuant to this Prospectus
New Shares	Ordinary Shares in Metallica to be issued pursuant to this Prospectus
Offer	The offer of New Securities pursuant to the Prospectus
Opening Date	21 May 2013

Option Holders	Holders of existing options to subscribe for shares in the Company
Ordinary Shares	Ordinary Shares in the capital of the Company
Patersons or Nominee	Patersons Securities Limited ACN 008 896 311
Record Date	16 May 2013
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A person registered as a holder of existing Ordinary Shares in the Company as at the Record Date
Shortfall	Those New Securities for which the Entitlement lapses and the benefit reverts to the Underwriter under the terms of the Underwriting Agreement
Underwriter or Patersons	Patersons Securities Limited ACN 008 896 311
Underwritten Amount	The amount that is underwritten under the Underwriting Agreement being \$2.125 million (14,166,667 New Shares and 14,166,667 Attaching Options).
Underwriting Agreement	The underwriting agreement between Metallica and the Underwriter, a summary of which is set out in Section 9.1

12. Corporate directory

Officers of Metallica Minerals Limited

David Barwick – Chairman
Andrew Gillies – Managing Director
Barry Casson – Director
Wu Shu – Director
John Haley – Director

Company Secretary: John Haley

Registered address of Metallica Minerals Limited

71 Lytton Road
East Brisbane QLD 4169
Telephone: (07) 3249 3000
Facsimile: (07) 3249 3001
Website: www.metallicaminerals.com.au

Underwriter and Lead Manager

Patersons Securities Limited
Level 23 Exchange Plaza
2 The Esplanade
Perth WA 6000
Telephone (08) 9263 1111
Facsimile: (08) 9325 5123
Website: www.psl.com.au

Solicitors for the Offer

HopgoodGanim Lawyers
Level 8, Waterfront Place, 1 Eagle Street
Brisbane QLD 4000
Telephone: (07) 3024 0000
Facsimile: (07) 3024 0300
Website: www.hopgoodganim.com.au

Share Registry

Level 15
324 Queen Street
Brisbane QLD 4000

Telephone: 1300 554 474

Defined terms and abbreviations used in this Prospectus are explained in the Definitions set out in Section 11 of this Prospectus.