ASX RELEASE

21 October 2013

CLARIFICATION OF ASX RELEASES DATED 20 SEPTEMBER & 15 OCTOBER 2013 FOR JORC 2012 MINERAL SAND RESOURCE

Metallica Minerals Limited wishes to correct an inadvertent error in its ASX release dated 20 September 2013. The Competent Persons Statement referred to the 2004 "JORC Code" instead of the **2012 "JORC Code**" and should read as follows:-

"The information in this report that relates to Resource Estimation is based on information compiled and reviewed by Mr Simon Coxhell. Mr Coxhell is a consultant to the Company and a member of the Australasian Institute of Mining and Metallurgy. Mr Coxhell has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this document and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Coxhell consents to the inclusion in this report of the matters based on this information in the form and context in which it appears."

In addition, the **Appendices** required under the 2012 JORC CODE were not attached and are now **attached** to this Release.

For more information please contact:-

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JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data: URQUART POINT

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples of the Mineral Sand deposit were collected by systematic drilling and sampling methods on regular spaced sections orientated at right angles to the strike of the deposit. • All samples were cone and quartered as appropriate for mineral sands sampling with approximately 1 kg/sample/meter collected • 1:30 separate field splits taken and analysed to ensure representative sampling techniques , correlation coefficients of >95% for all samples • Approximately 1 kilogram of homogenized sample was collected per meter drilled. • Duplicate analysis confirmed the veracity of the sampling • One meter length samples were collected from the sampling and effectively quartered to provide representative samples of approximately 1 kilogram each.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Shell Auger Sampling with a 100 mm diameter shell bit • Spiral Auger Sampling with a 75 mm diameter bit
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• 100% recovery for the shell auger sampling • 90% for the spiral auger sampling • Careful sampling techniques ensured comprehensive and representative sample was collected • No relationship between sample recovery and grade exists.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)*	• All samples were systematically logged recording colour, grainsize, hardness, sphericity, composition and estimated HM%. • This is appropriate for an indicted resource estimate. • All intervals geologically logged

Criteria	JORC Code explanation	Commentary
	photography. • *The total length and percentage of the relevant intersections logged*	• Logging is a combination of qualitative and quantitative data being collected and considered.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples were cone and quartered with comprehensive mixing in between all stages of sampling. Duplicate analysis confirmed the reliability of sampling • Sample sizes were appropriate to the medium grade nature of the particulate sample and grade.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying was carried out by Western Geolabs Pty Ltd of Perth, WA, using the following procedure: • Dry for 5-8 hours: Disaggregate by hand • Split off approximately 120g via a riffle splitter • Deslime 120g split through 63um screen (minus 63um fraction is "%slimes") • Dry and weigh plus 63um fraction • Split off and weigh plus 1.00mm fraction ("%oversize") • Stir +1.00mm -63um fraction into TBE liquid in separation funnels. • Sinks are drained, washed, dried and weighed to give "%HM".
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• A number of programs of drilling and sampling have been completed by different companies and individuals. • No significant differences have been apparent. • Data faxed to Maxwell Data Services where it was entered into validated Access Databases
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• GPS survey (+/- 5metres), appropriate for indicated resource estimates (WGS 84), MGA 94: Zone 54 • Grid: MGA 94, Zone 54, RLs approx. +/- 2 meters AHD

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Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Section spacing: 100-200 m along strike, Holes 20-30 meters across strike, considered to be appropriate for the strand style of the Urquhart Point Mineral Sand Deposit. • No composite samples, all samples 1 meter
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Sampling conducted with vertical drill holes on section lines, orientated at right angles to the strike of the deposit. • N/A
Sample security	• *The measures taken to ensure sample security.*	• Samples were dispatched via courier service between site and Perth. • Visual estimates matched/compared to lab results to confirm grades
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal audits have been conducted, but discussion between all interested parties has confirmed the drilling and analytical techniques used.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Oresome Australia Pty Ltd (a 100% owned subsidiary of Metallica Minerals Limited) is the registered tenement holder of ML20669. … • Environmental Impact Assessments have been made and approval to commence mining has been given. Buffer Zones may reduce the mineable resource by approximately 10-15%. • No Impediment, Licence Granted
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration has been conducted since the early 1960s. A large proportion of the previous work was conducted by Matilda Minerals, between 2006-2008.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit is a low slimes strand style of deposit with the heavy minerals comprised of zircon, rutile, ilmenite and iron oxides. The deposits consist of a series of strands parallel to the coast and inshore areas of Albatross Bay. The highest grade zones are located on

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		the northern end of the deposit area and recent reworking by storms and currents have resulted in accumulations of heavy minerals on the active beach and extending inland at Urquhart Point.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• See Table One.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No top cut adopted as is typical with a mineral sand homogenous style of deposit. • N/A • N/A
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The deposit is a flat lying sand deposit averaging approximately 2.5 meters in thickness and extending over approximately 200 Hectares • Vertical Holes are drilled on regular sections throughout the deposit • Downhole lengths are true thickness intersections
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See attached

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Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• N/A
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Bulk samples collected for metallurgical test work has returned similar results to that obtained by the exploration and resource development drilling.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further planned work will result in infill drilling in areas where previous drilling did not define the base of the mineralized zones. • Attached

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data was managed by an external database management company which then provided Access exports available for use in Micromine Mining Software. Original analytical results electronically merged with the sample number. Data verified with sections/plans/database queries.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A total of 3 site visits have been made by the competent person.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade*	• The confidence in the simple geometry of the resource is considered very good. • The resource is classified as an Indicated Resource commensurate with the work completed. • The deposit is consistent and little alternatives are present in the current geological understanding. • Drill logs/sections were coded by geology to ensure an accurate fit and interpretation.

Criteria	JORC Code explanation	Commentary
	and geology.	
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The deposit occurs over a broadly orientated north –south direction over a 5 kilometer strike length. The width of the deposit is variable and ranges from 30-400 meters in width. Thickness varies between 1-3.5 meters.
Estimation and ***modelling*** *techniques*	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Individual wireframes for different portions/orientations of the deposit was adopted. • Search ellipses were 2X the section spacing and 2 X the hole spacing, with a 1 meters search in the Z direction. • Previous Estimates have been made and compare closely to this latest estimate. • No assumptions have been made for recovery of by-products • No deleterious elements of the project have been identified. • Block Sizes adopted for the modelling was 20 m X 20 m X 0.5 m, X, Y and Z dimensions. • Search Ellipses orientated parallel to the strike continuity of the deposits,, Inverse Distance Squared Interpolation Methods • Homogenous mineral sand deposits may be estimated without a top-cut. The correlation between duplicate sample splits and twinned holes suggest no nugget effect to the sampling. • Only sand as logged formed the wireframes • Validation, via comparison with Wireframe average grade, verses interpolated OBM values.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Dry Basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• N/A
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects*	• Simple Mineral sand mining operation with excavator and truck/Loader is envisaged. Dilution not an issue.

Criteria	JORC Code explanation	Commentary
	for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• The deposit type is very similar to the Matilda Mineral Tiwi Island mineral sand project where recoveries of 90% was readily achieved, using a convention screening and spiral processing operation to produce a zircon/rutile premium product.
Environmental *factors or assumptions*	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Extraction of the HM% and tailings pumped back into the mined pit. • Environmental Impact Assessment completed and approvals received
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• An insitu bulk density (ISBD) was estimated using previous experience and empirical measurements from similar projects. A cubic meter to tonnage conversion factor of 1.6 tonnes per cubic meter was adopted. • The adopted bulk density takes into account the porosity of the sand • 1.6 t/bcm is an accepted industry standard for deposits such as Urquhart Point
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and*	• The classification is based on drill hole density, GPS surveying measurements and limited modal analysis. • Closer spaced drilling, DGPS survey control and additional modal analysis, ISBD work, will result in the Indicated Resource being

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	metal values, quality, quantity and distribution of the data). • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	upgraded to measured. • The mineral resource estimate appropriately reflects the view of the Competent Persons
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• This 2013 estimate compares favourably with a 2008 estimate by Roger Hobbs.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The relative accuracy of the mineral resource estimate is reflected in the reporting of their MINERAL Resource as per the guidelines of the 2012 JORC code. • The statement relates to global estimates of tonnes and grade. • No production data available