



**ASX RELEASE
3 DECEMBER 2014**

COMPLETION OF MAIDEN GRID DRILLING PROGRAM URQUHART POINT BAUXITE PROJECT – CAPE YORK

Metallica Minerals Ltd (Metallica) is pleased to announce that the Cape York Heavy Mineral Sands (HMS) and Bauxite Joint Venture has completed the Urquhart Point Bauxite Project maiden drilling program consisting of 84 holes using an Aircore drill rig. The holes were drilled in two target areas (Area A & B) on a nominal 320 by 320 metre grid pattern, see Figures 1&2.

This drill program was a follow-up to the initial exploration auger drill program (Area A - 2 auger holes and Area B - 8 auger holes) on the four bauxite exploration targets (Areas A, B, C and D) (see ASX Release Date 11 July 2014). This auger drilling confirmed the presence of significant pisolitic bauxite within Metallica's subsidiary Oresome's exploration tenure which adjoins a mining lease (held by Rio Tinto Alcan) covering a major bauxite plateau.

The latest Area A drilling comprised 23 holes (total 167m, average depth 7.3m) and 61 holes (total of 300m drilled, average depth 4.9m) for Area B, see Figure 2.

The drill samples have been dispatched to ALS Brisbane for analysis with results expected to be received later this month. Subject to the aluminium, iron and silica oxide analysis results and demonstrated geological continuity, a maiden Mineral Resource is expected to be estimated according to the guidelines of the JORC Code.

The Urquhart Point bauxite project is one of many regional bauxite and HMS exploration targets identified by Metallica within a contiguous tenement portfolio covering a 300km coastal belt held by the Joint Venture. The project covers extensive sand and lateritic bauxite outcrops between Weipa, the site of the nearby Urquhart Point HMS mine shortly being commissioned) and the northern extent of the Cape York Peninsula in far north Queensland, see Figure 1.

The Cape York HMS and Bauxite Project is currently a 66.66%:33.33% Joint Venture between Oresome Australia Pty. Ltd (a wholly owned subsidiary of Metallica) and Ozore Resources Pty. Ltd. Upon contribution of a further A\$2.5 million of funding by Ozore, the Joint Venture will be a 50%:50% Joint Venture.

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Figure 1: Cape York HMS and Bauxite JV Project tenements and regional setting (Urquhart Point tenements and bauxite deposit is approximately 5km SW of Weipa)

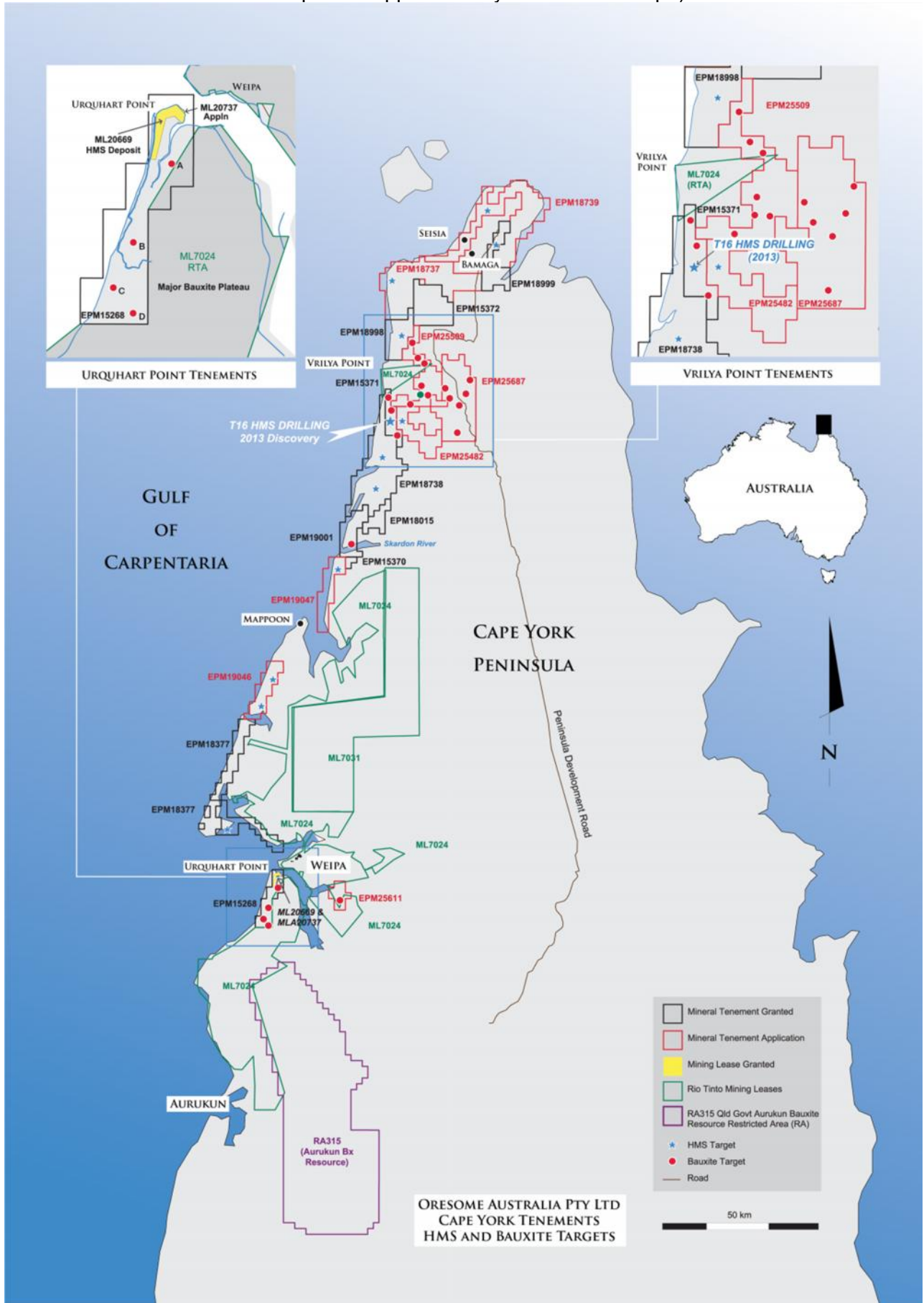


Figure 2: Urquhart Point Bauxite JV Project showing drill hole collars on bauxite areas A & B

