



**30 MARCH 2020**

## **URQUHART BAUXITE PROJECT (UBx) SAND OPPORTUNITY AND PFS DELAY**

As previously announced, Metallica Minerals Limited (**Metallica**, ASX: MLM) owns 50% of the Joint Venture (JV) with Ozore Pty Ltd (**Ozore**), a private Chinese owned entity, with the key JV project being the Urquhart Bauxite Project (**UBx**). Metallica, through its subsidiary company, Oresome Australia Pty Ltd (the manager of the JV), has recommended that the JV focuses current works in relation to the UBx project on exploring the viability of mining a potential industrial sand product which may lie within the overburden of the bauxite resource.

If the sand units identified in the overburden are a viable industrial sand opportunity, Metallica expects it will:

- be highly complimentary to the proposed export bauxite operation;
- add a number of years to the mine life; and
- provide a second revenue stream from the proposed operation.

Thus, Metallica has recommended to its JV partner, Ozore that the JV delay completion of the planned Pre-Feasibility Study (**PFS**) until the potential industrial sand opportunity is investigated further and the JV better understands if the sand mining opportunity is viable. The PFS was scheduled to be completed by the end of March 2020.

Subject to Ozore agreeing to these recommendations, the next stage of investigating the industrial sand opportunity would be to undertake an exploration program to determine the possible volume and quality of the sand resource in the tenement. This would most likely require dry season drilling works, which would not take place before Q3 2020.

In the meantime, Metallica will progress other aspects of the UBx project, and endeavour to minimise project and company overhead costs.

This release has been authorised by John Haley, Company Secretary.

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