



30 MARCH 2020

\$650,000 INSTALLMENT RECEIVED FROM SALE OF MLM INTEREST IN HMS PLANT AND TENEMENTS

Metallica Minerals Limited (**Metallica**, ASX: MLM) is pleased to announce that it has received A\$650,000 (plus an additional \$65,000 GST) as part of the second instalment due on the sale of its 50 per cent interest in the Heavy Mineral Sand (**HMS**) plant and the HMS tenements at Urquhart Point (ML20669 and ML20737) - refer to ASX release dated 20 December 2019. This payment is in addition to the \$100,000 deposit received in December 2019.

The sale of the HMS assets is subject to the Joint Venture partner, Ozore Pty Ltd, also selling their 50% interest to the buyer.

Subject to the above, this second instalment will trigger the commencement of the process of formally transferring the HMS tenements to the buyer. Metallica will also receive a refund of its share of the tenement Environmental Bond. This 50% share was valued at \$124,975 as at 20 December 2019.

Metallica has agreed to the delay of payments of \$96,040 and \$250,000 (both amounts excluding GST) that were due with the second instalment until 10 April 2020 and 27 April 2020 respectively, to enable the transaction to proceed during these uncertain times.

A further amount of \$500,000 for the HMS plant is payable no later than 25 June 2020. Subject to the successful completion of the sale, the total combined cash to be received by Metallica is approximately \$1.7 million (combining the sale proceeds and return of the bond).

As the buyer is a private entity, in the eventuality that the sale of the HMS plant is halted or the full purchase consideration is not received, Metallica has normal legal rights of recourse available to it. Metallica and its JV partner will retain their interests in the HMS plant until all payments are received.

The proceeds from the sale of the HMS assets will add further funding to support Metallica's focus on progressing its key projects, being the Cape Flattery Silica project and the Urquhart Bauxite project.

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

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