



15 October 2020

Mr Alex Sutton
Compliance Advisor, Geology, Listings Compliance (Sydney)
ASX Compliance Pty Limited
Level 6, 20 Bridge Street
Sydney, NSW 2000

By email: alex.sutton@asx.com.au

Dear Mr Sutton,

Re: ASX price query-Metallica Minerals Limited

I refer to your letter of 15 October 2020 noting a change in the price of the Entity's securities from a low of \$0.022 to a high of \$0.03 today. You also noted an increase in the volume of trading in the securities over 13 October to 15 October.

In light of the price and volume increase, you have asked us to respond to five questions. My response to each question is set out below.

1. Is MLM aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in securities?

A - MLM confirms that it is not aware of any information concerning it that has not been announced to the ASX which a reasonable person would expect to have a material effect on the price or value of MLM's shares.

As noted in Point 3 below, the Company issued a "Project Status Update" to ASX on 15 September 2020.

2. If the answer to question 1 is "yes".
 - a. Is MLM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?. Please note that recent trading in MLM's securities would suggest to ASX that such information may have ceased to be confidential and therefore MLM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is 'yes', you need to contact us immediately to discuss the situation.
 - b. Can an announcement be made immediately? Please note, if the answer to this question is "no" you need to contact us immediately to discuss requesting a trading halt (see below).
 - c. If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

A - Not Applicable



3. If the answer to the question 1 is “no”, is there any other explanation that MLM may have for the recent trading in its securities?

A – *The Company has recently announced (refer ASX Release dated 15 September 2020) that:*

- *It is in ongoing discussions with the Traditional Land Owners regarding access to the Cape Flattery Silica Sands Project area (held under an Exploration Permit for Minerals). These discussions are continuing, and IF appropriate Access Agreement(s) is/are able to be executed, then the Company will lodge an appropriate ASX Release.*
 - *That the Company is considering its possible options in regard to its 50% interest in the Urquhart Point Bauxite Project, including continuing to seek to reduce Project costs and/or a possible sale of its Interest in the Joint Venture. The potential sale process is continuing, and IF an Agreement is able to be executed, then the Company will lodge an appropriate ASX Release.*
 - *The Company continues to evaluate potential additional projects for potential acquisition and/or joint venture. This process is also continuing, and IF an Agreement(s) is/are able to be executed, then the Company will lodge an appropriate ASX Release.*
4. Please confirm that MLM is complying with the Listing Rules and, in particular, Listing Rule 3.1

A - *The Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.*

5. Please confirm that MLM's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MLM with delegated authority from the board to respond to ASX on disclosure matters.

A – *Yes, this letter has been authorised and approved under MLM's published continuous disclosure policy.*

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Haley'.

John Haley
Company Secretary
Metallica Minerals Limited

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15 October 2020

Mr John Haley
Company Secretary
Metallica Minerals Limited
Level G, 71 Lytton Rd
East Brisbane, QLD 4169

By email:

Dear Mr Haley

Metallica Minerals Limited ('MLM'): Price - Query

ASX refers to the following:

- A. The change in the price of MLM's securities from a low of \$0.022 to a high of \$0.03 today.
- B. The significant increase in the volume of MLM's securities traded from 13 October 2020 to 15 October 2020.

Request for information

In light of this, ASX asks MLM to respond separately to each of the following questions and requests for information:

1. Is MLM aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MLM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MLM's securities would suggest to ASX that such information may have ceased to be confidential and therefore MLM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MLM may have for the recent trading in its securities?
4. Please confirm that MLM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MLM's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MLM with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AEDT Thursday, 15 October 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

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within the exceptions mentioned in Listing Rule 3.1A, MLM's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MLM to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MLM's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MLM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MLM's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MLM's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards



Alex Sutton

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Compliance Adviser, Geology, Listings Compliance (Sydney)