



METALLICA MINERALS LIMITED

Subsidiary Companies

NORNICO Pty Ltd ACN 065 384 045 | Oresome Australia Pty Ltd ACN 071 762 484

Lucky Break Operations Pty Ltd ACN 126 272 580 | Metrocoal Limited ABN 45 117 763 443 | Phoenix Lime Pty Ltd ACN 096 355 761

ASX Code: MLM

ASX ANNOUNCEMENT

29 OCTOBER 2009

METROCOAL LODGES PROSPECTUS IPO UNDERWRITTEN TO \$8.4 MILLION

Metallica Minerals Limited (ASX-MLM) is pleased to announce that MetroCoal Limited (**MetroCoal**), which is currently 79% owned by Metallica, has lodged a Prospectus with the ASIC to raise between \$8.4 and \$10 million (**IPO**) and subsequently listing on the Australian Securities Exchange (**ASX**).

The IPO consists of an offer of between 33.6 million and 40 million ordinary fully paid shares in MetroCoal at an issue price of 25 cents (**MetroCoal Shares**).

The Offer for MetroCoal Shares is contained in the Prospectus and is underwritten by Patersons Securities Limited (PSL) to the extent of \$8.4 million.

The Underwriting Agreement between MetroCoal and PSL allows the Underwriter to withdraw from the Agreement, if a number of events occur which are considered standard for an agreement of this type, including if the All Ordinaries falls by more than 10% from the date of execution.

Assuming that \$10M is raised MLM will retain 56% of MetroCoal and based on a listing price of 25 cents will add approximately \$20M to MLM's balance sheet.

The key IPO dates are:

Lodgement of Prospectus	28 October 2009
Applications Open	6 November 2009
Applications Close	19 November 2009
Dispatch of Holding Statements	26 November 2009
Listing of MetroCoal on ASX	4 December 2009

These dates are indicative. MetroCoal reserves the right to vary the Closing Date of IPO which may have a consequential effect on the other dates.

Any person:

- considering investing in the MetroCoal IPO should carefully consider the MetroCoal Prospectus.
- wanting to apply for MetroCoal Shares must complete the Application Form that will accompany the Prospectus.

The MetroCoal Prospectus shall be available by:

- By contacting MetroCoal by phone: (07) 3891 9611 or email: admin@metrocoal.com.au
- On the MetroCoal website www.metrocoal.com.au.

For Further Information

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