



Quarterly Report

to 30 Sept 2009



ASX release

30 October 2009

Metallica Minerals Ltd

A Queensland multi-commodity resource company with major interests in Nickel-Cobalt, Coal, Bauxite, Tungsten & Gold-Copper

ASX:MLM

Issued Capital (30/9/2009):

121,740,917 Shares issued

6,750,000 Directors & Management

Unlisted Performance Options

~ 2,628 shareholders

Top 20 shareholders: Hold 61.1%

Directors:

David K. Barwick - Non Exec Chairman

Andrew Gillies - Managing Director

John Haley - Director & Company Sec

Peter Nicholson - Non Executive Director

Shu Wu - Non Executive Director

Largest Shareholders:

Jien Mining Pty Ltd 18.8%

RCF (Funds III LP & IV LP) 12.3%

Golden Breed Pty Ltd 7.3%

Cash balance:

As at 30 September 2009, MLM's consolidated cash balance was approximately \$14.9 million.

Highlights

- ▶ Current consolidated cash - \$14.9 million
- ▶ Metallica 76% held Planet Metals (ASX:PMQ) commenced 3,000m (~60 hole) diamond drilling program on its Wolfram Camp wolfram-tungsten and molybdenite mine (currently on care and maintenance).
- ▶ 307 hole (7,685m) drilling program completed on the cobalt rich Kokomo nickel laterite deposit to increase the existing (January 2009) resource size and status. A revised resource estimate study has commenced.
- ▶ NORNICO Feasibility Study deferred to include the Kokomo deposit (to add resources of high cobalt nickel ores) and complete further metallurgy and enhance process flow sheet development towards maximising metal recoveries and economic efficiency. Scoping/Pre-Feasibility study on this development option advanced with completion expected mid November 2009.
- ▶ Current preferred NORNICO development option going forward is for a 1.0 mtpa project (with onsite acid plant) based primarily on heated agitated atmospheric Acid Leach (AAL) and solvent extraction/electrowinning (SX/EW) to produce ~ 10,000 tpa LME Nickel Metal and > 1,000tpa Cobalt as cobalt sulphide.
- ▶ Cape Alumina Limited (ASX:CBX) (MLM holds 33%) completed its Pre-Feasibility Study on its 100% held Weipa Bauxite project - Pisolite Hills bauxite.

Corporate

- ▶ Maintaining strong consolidated cash position of approximately \$14.9 million with effectively no debt.
- ▶ In early July Metallica exercised its full entitlement to the Planet Metals Ltd (ASX:PQM) [previously named Queensland Ores Ltd] Rights Issue and acquired a further 145.3 million shares in PQM for \$1.31 million – MLM now holds 76% of PQM.
- ▶ Metallica has a major shareholding 47% of Brisbane based Orion Metals Limited (ASX:ORM), previously named Queensland Gold and Minerals Limited. Orion in conjunction with MLM are continuing to seek mineral resource opportunities suitable for this company.
- ▶ MetroCoal has prepared an IPO Prospectus which was lodged with ASIC on 28 October 2009 raising between \$8.4 to \$10 million with listing expected by mid December 2009. Patersons Securities have been appointed lead broker and underwriter with Bell Potter a broker to the issue. MetroCoal IPO is underwritten to \$8.4 million.

Financial

To be read in conjunction with **Appendix 5B** attached

As at 30 September 2009, Metallica's consolidated cash was \$14.9 million including interest income of \$227,000 received during the June Quarter.

Exploration and evaluation expenditure totalled \$1.76 million, production \$0.46 million (Ootann) and administration expenditure was \$0.657 million for the quarter to 30 September 2009. The total combined June quarterly expenditure was approximately \$2.4 million.

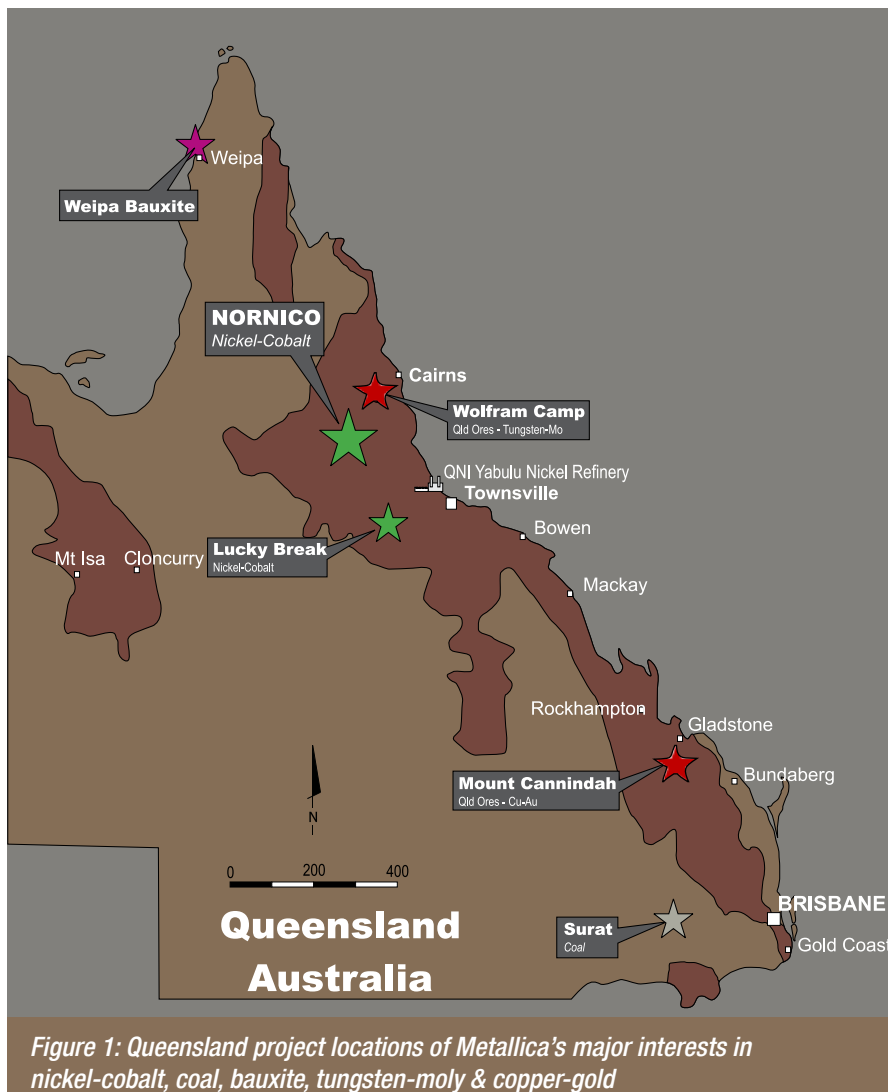
The estimated exploration and evaluation expenditure by Metallica for the December 2009 quarter is \$1,950,000. Significant additional project expenditure was completed

in the September quarter through Metallica's 33% shareholding in Cape Alumina (100% Weipa bauxite project).

No Directors or Management Unlisted Performance Options were issued during the quarter.

The Company's significant cash reserves will be utilised to seek undervalued resource opportunities as well as progress Metallica's key NORNICO nickel-cobalt project, its holdings in coal (MetroCoal 79%) and significant Queensland-based exploration interests in zircon, rutile, gold, scandium, limestone and other minerals.

Metallica intends to support its 76% holding in Planet Metals Ltd (ASX:PMQ), including by underwriting Planet's current rights issue, and its 47.2% holding in Queensland Gold and Minerals (ASX:QGM). Metallica continues to assess attractive corporate and project opportunities that are compatible to the Company's core operations.



Technical information contained in this report has been compiled by Andrew Gillies B.Sc (Geology) (Managing Director of Metallica Minerals Ltd) and Metallica Minerals Ltd, Exploration Manager, Mr Pat Smith MSc. B.Sc (Hons), M.AusIMM, who are competent persons and Members of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Gillies and Mr Smith have relevant experience to the mineralisation, Exploration Targets and Mineral Resources being reported on to qualify as Competent Persons as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Information on Cape Alumina bauxite projects in this report are compiled by Dr Paul Messenger (CEO of Cape Alumina Pty Ltd) who is a Member of the AusIMM and has 20 years experience in exploration and mining including a significant time studying bauxite projects. Mineral Resource information on Queensland Ores Ltd, Wolfram Camp project in this report has been compiled by Mr Andrew Border, project geologist of Queensland Ores Ltd. Mr Gillies, Mr Smith, Mr Border and Dr Messenger consent to the inclusion in the report of the matters based on the information in the form and context in which it appears. A separate Competent Person Statement is presented included in each relevant page of this report for the MetroCoal Ltd (Coal) and Cape Alumina Ltd (bauxite) sections of this report, see page 14 and page 17 respectively.

Andrew Gillies – Managing Director, 30 October 2009

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Metallica's Core Assets

Metallica is in an excellent position to progress its core mineral properties and major investments.

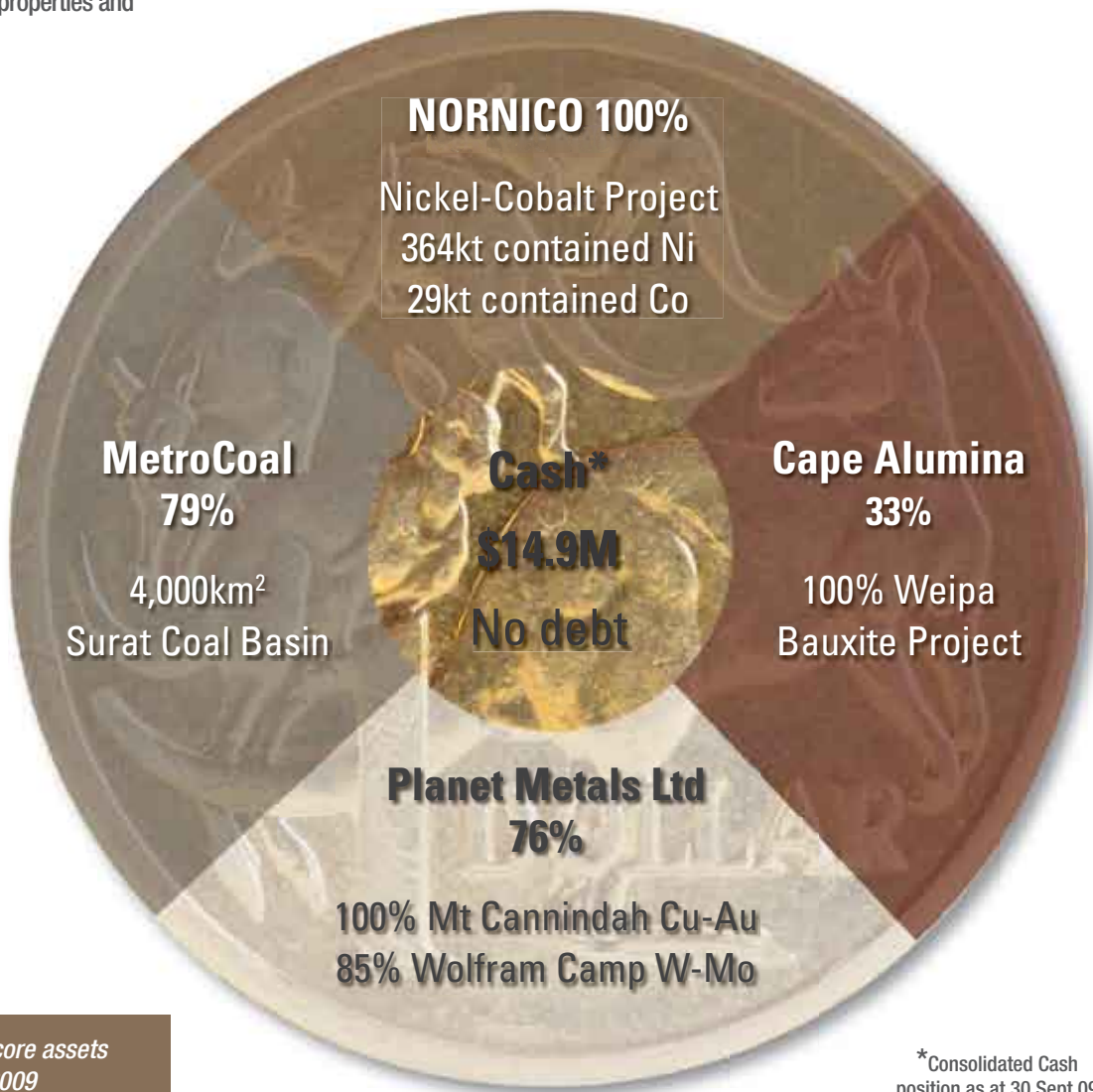


Figure 2: Metallica's core assets as at 30 September 2009

*Consolidated Cash position as at 30 Sept 09

Mineral Projects

Nickel-Cobalt NORNICO Nickel Project 100%

Overview

The NORNICO Project is located 32 kilometres south of Mt Garnet, North Queensland; location and access to infrastructure is excellent (see Figure 3).

The combined NORNICO resource base of the three deposits of Bell Creek, Minnamoolka and Kokomo is 50Mt @ 0.72% Ni and 0.06% Co (364 Kt Ni and 29 Kt Co contained) see Table 6 and 7 on page 26. Further resource definition and exploration drilling is currently in progress at Kokomo which is expected to increase the size and status of the Kokomo resource.

Key Activities Undertaken During the September Quarter Included:

- The in-house Scoping/Pre-Feasibility Study based on 1.0 mtpa heated agitated Atmospheric Acid Leaching (AAL) was continued in order to enhance the project economics.
- Kokomo heated agitated AAL testwork was completed.
- Further laboratory metallurgical testwork to develop and optimize the AAL process flowsheet was completed. Flocculent screening and product thickener testwork was also completed.
- Pyrometallurgical testwork at CSIRO was initiated to investigate the suitability of IsaSmelt Technology for recovery of nickel and cobalt from different laterite ore types.

- The detailed dry season flora and fauna studies at Kokomo were completed.
- Site environmental monitoring continued.
- A large 3,600 hectare Mining Lease Application (MLA 10342) was lodged over the Kokomo Ni-Co-Sc deposit in August 2009.

NORNICO Project Studies

Metallica appointed Lycopodium Minerals Pty Ltd as the Feasibility Study Manager for the NORNICO Project in September 2007. The BFS was based on a 1.0 million tpa atmospheric heap leach operation with Ion Exchange, onsite acid and power plant to produce nickel hydroxide product. The engineering

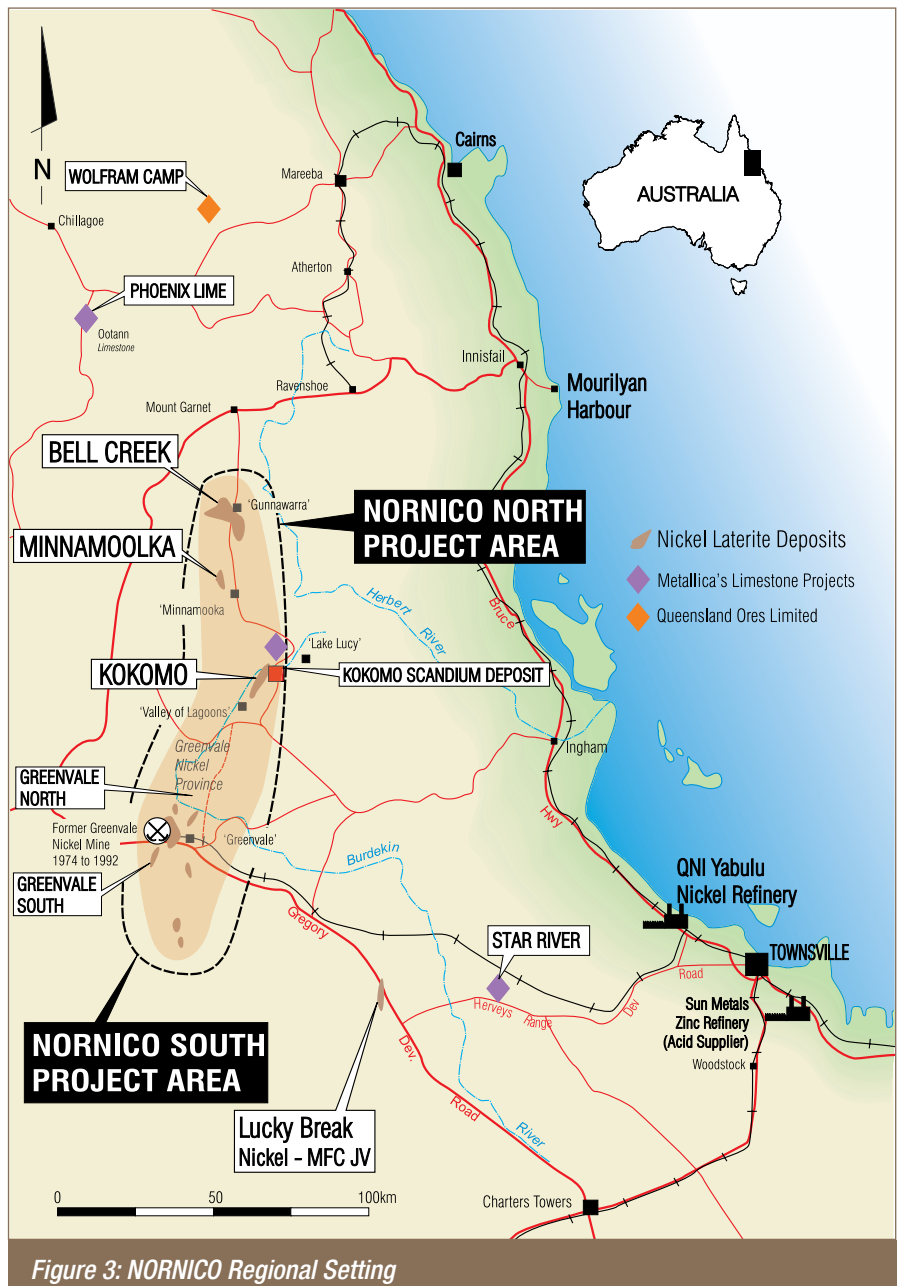


Figure 3: NORNICO Regional Setting

component of the BFS was not completed and Lycopodium issued a close out report at the end of June 2009.

In May 2009 it was decided to investigate further possible project enhancements internally with Metallica's in-house process management team assisted by consultants. It was concluded that the preferred option going forward would be for a 1.0 mtpa project based on heated agitated Atmospheric Acid Leach (AAL) and solvent extraction/electrowinning (SX/EW) to produce LME Nickel Metal (~10,000 tpa) and Cobalt (~1,000 tpa) as cobalt sulphide with its own acid and power plant. An internal Scoping Study/Pre-Feasibility was initiated to confirm the process suitability and hopefully to enhance the financial position of the project. This option could enhance the following:

1. Increase project "in-ground" metal content and value – A heated agitated AAL flowsheet would allow Kokomo

resources (cobalt rich nickel laterite) to be directly added to the Bell Creek and Minnamoolka resources, thereby adding higher grade and extended project life (i.e. > 15 years).

2. Improve overall nickel and cobalt recoveries (both plus 90%)
3. Increase metal payment of both Ni & Co
4. Allows some beneficiation of silica box material (i.e. Increased feed head grade)
5. Potential by-products would include electrolytic Manganese Dioxide (EMD) and Scandium Oxide

These enhancements could possibly be negated by operating and capital cost considerations which have yet to be fully determined.

A simplified conceptual AAL SX/EW flowsheet is as shown in Figure 4, below.

The completion of the "in house" Scoping/Pre-Feasibility Study has suffered some delays due to the delays in the expanded metallurgical test program but is now planned to be completed at the end of October 2009.

Metallurgical Testwork

1. Agitated Atmospheric Leach (AAL) Testwork

During the September quarter additional heated AAL metallurgical testwork was conducted on a blend of Bell Creek South and Bell Creek North ores to support Feasibility Studies. The additional testwork was conducted at HRL Testing and included:

1. Further two stage agitated atmospheric leach tests to confirm the initial testwork
2. Investigation into using low grade nickel, high magnesium ore for pre-CCD neutralization

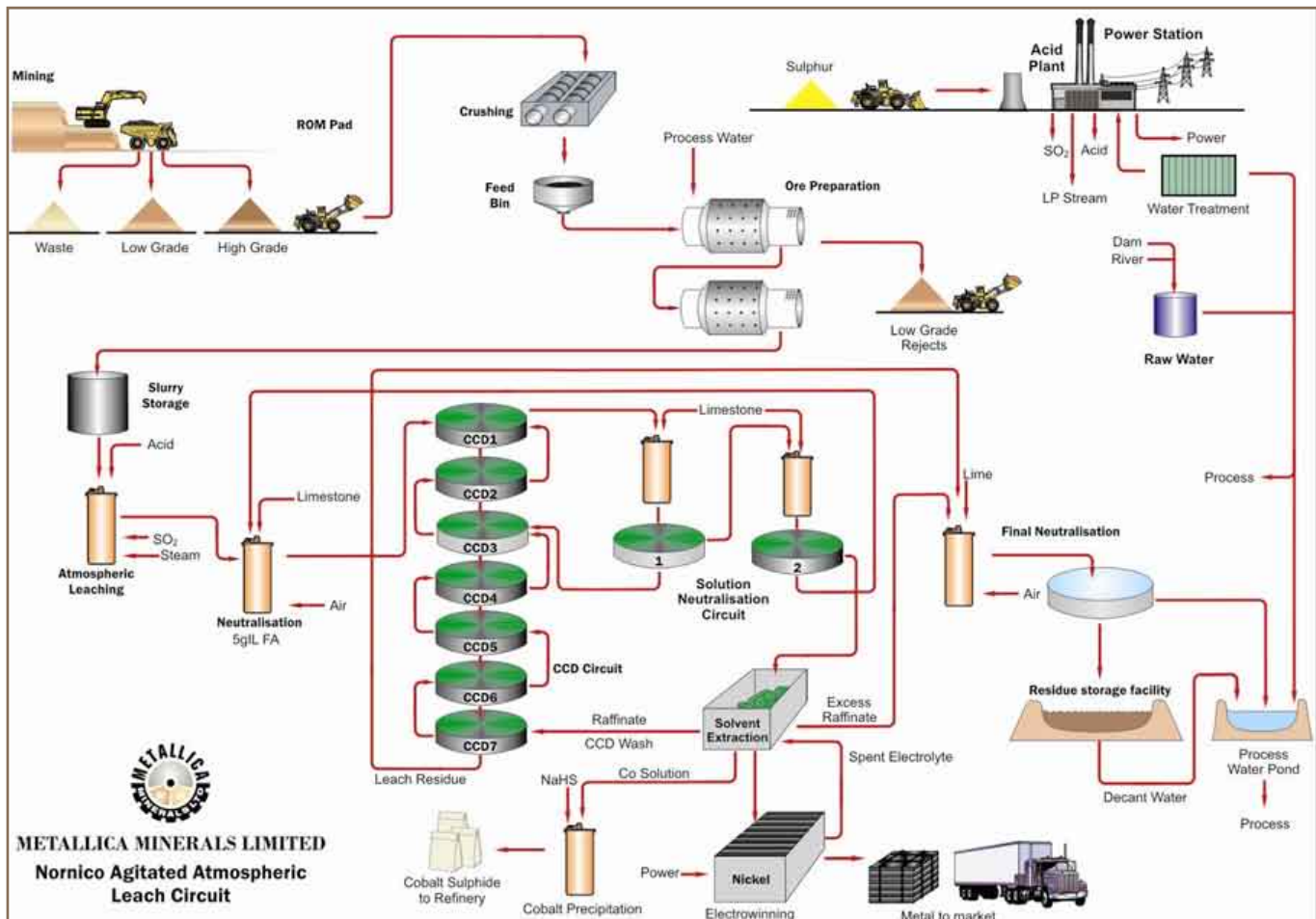


Figure 4: NORNICO Agitated Atmospheric Leach Circuit

3. Conduct larger scale batch two stage agitated atmospheric leach tests (60L)
4. Conduct flocculant screening testwork
5. Thickener settling testwork and thickener sizing.

The additional two stage agitated atmospheric leach tests were conducted to further demonstrate the ability of the chosen flowsheet to achieve the desired nickel and cobalt extraction. To date the two stage agitated atmospheric leach tests have demonstrated that greater than 90% nickel and cobalt extraction is achievable.

The objective of the testwork conducted using a low grade nickel, high grade magnesium ore was to better utilize the available free acid to extract nickel and cobalt from the low grade nickel ore. This testwork was considered successful; however no further testwork was conducted as it was believed the process added additional complexities and capital to the project, but maybe revisited in the future.

The settling testwork was conducted by Outotec and was considered successful, indicating that good settling and underflow densities were obtained.

The data obtained from the metallurgical testwork was used to generate the process design criteria as part of the Scoping/Pre-Feasibility Study.

2. Canoean Testwork – CMN Process

Proof of Concept bench scale CMN testwork undertaken last quarter demonstrated that a high purity nickel electrolyte suitable for production of LME grade nickel cathode can be produced from NORNICO leach liquors using the CMN Process.

The back end of the process flowsheet involves solvent extraction (SW) and electrowinning (EW) for the production of LME Nickel. Cobalt will be recovered as an intermediate product, most likely cobalt sulphide. Potential other by-products may include scandium oxide and electrolytic manganese dioxide (EMD).

A more detailed continuous pilot plant run would be required to validate the entire process should the Scoping Study progress to a Bankable Feasibility Study.

3. Pyrometallurgical Processes and Testwork

Metallica is also reviewing the possibility of using known Pyrometallurgical processes to recover Ni-Co-Fe metal values from the NORNICO laterite resources. To this end the company has investigated the possibility of using direct reduction technology such as the Rotary Hearth Furnace.

Following discussions with Xstrata Technology in Brisbane, regarding the potential of IsaSmelt technology for smelting the NORNICO laterites to produce a Ferro Nickel product, Metallica accepted a proposal to undertake more detailed modelling and laboratory testwork at CSIRO, Melbourne.

Preliminary results have been promising. A Ferro Nickel alloy containing 35% Nickel has been produced with recoveries of nickel and cobalt in excess of 90%. Slag foaming and also phase separation have been a concern but further tests with different fluxes are ongoing. The initial proposed test program is expected to be completed late October.

Environmental

During the September quarter it was decided not to progress the EIS document until the project definition is finalised. As such it will be necessary to re-introduce the project to DERM and recommence the environmental approval process. This will further delay the project schedule. Base line wet and dry season environmental studies have been completed at both Bell Creek and Minnamoolka and final reports issued. The Kokomo dry season flora and fauna study was completed in the September quarter.

NORNICO Project - Activities Planned for December Quarter 2009

- Complete the internal heated AAL Scoping/Pre-Feasibility Study and review all options for going forward that could enhance the current NORNICO Project including possible staging NORNICO size from smaller Stage 1: small high grade operation to a Stage 2: full scale (with acid plant). ~1Mtpa operation.
- Continue with the metallurgical test program to validate the proposed AAL flowsheet. Further investigate pyrometallurgical process options.
- Progress permitting of mining lease application MLA 20549 "Bell Creek Consolidated" and MLA 10342 "Kokomo".
- A wet season Environmental study will be undertaken over the Kokomo project area in the March Quarter.

NORNICO Exploration Update

Kokomo Nickel – Cobalt & Scandium (EPM 10699 / MLA 10342)

Drilling was completed on the Kokomo nickel – cobalt and scandium project in mid September with a total of 307 new RC holes (KK-607 to 913) for 7,686m drilled. In addition to this 4 PQ diamond holes for 122m were also drilled to provide samples for metallurgical testwork in Brisbane and for additional bulk density data.

All the drill holes have been accurately surveyed and all the assay results have now been received - see Table 14 at the back of this report showing drill hole results for holes KK747 - KK913. The assay geological and survey data has been uploaded into the existing Kokomo a database which on completion will be provided to Golder Associates of Brisbane to undertake an updated resource estimate for Kokomo.

The infill and step out drilling at Kokomo confirmed grade and geological continuity of the Ni-Co laterite mineralisation. Additional mineralisation has also been identified in areas outside the current resource model. Better results not previously reported include:-

KK- 771	35m @ 0.81% Ni and 0.22% Co (1.36% Ni eq) (Ni+ 2.5 Co*)
KK- 785	7m @ 1.14% Ni and 0.79% Co (3.11% Ni eq)
KK- 787	16m @ 0.80% Ni and 0.54% Co (2.15% Ni eq)
KK- 793	19m @ 1.15% Ni and 0.20% Co (1.65% Ni eq)
KK- 799	12m @ 1.05% Ni and 0.48% Co (2.25% Ni eq)
KK- 800	8m @ 1.38% Ni and 0.30% Co (2.13% Ni eq)
KK- 835	20m @ 1.02% Ni and 0.21% Co (1.54% Ni eq)
KK- 840	9m @ 1.50% Ni and 0.26% Co (2.15% Ni eq)
KK- 847	12m @ 0.94% Ni and 0.23% Co (1.51% Ni eq)

KK- 854	10m @ 1.13% Ni and 0.22% Co (1.68% Ni eq)
KK- 855	12m @ 0.76% Ni and 0.36% Co (1.66% Ni eq)
KK- 865	10m @ 1.00% Ni and 0.36% Co (1.90% Ni eq)
KK- 873	11m @ 0.87% Ni and 0.45% Co (2.00% Ni eq)
KK- 875	23m @ 0.95% Ni and 0.18% Co (1.40% Ni eq)
KK- 876	10m @ 1.15% Ni and 0.38% Co (2.10% Ni eq)
KK- 879	9m @ 0.98% Ni and 0.40% Co (1.98% Ni eq)
KK- 891	29m @ 0.90% Ni and 0.16% Co (1.30% Ni eq)
KK- 900	17m @ 1.11% Ni and 0.31% Co (1.88% Ni eq)
KK- 908	20m @ 0.69% Ni and 0.36% Co (1.59% Ni eq)
KK- 909	8m @ 1.12% Ni and 0.54% Co (2.47% Ni eq)
KK- 910	6m @ 1.15% Ni and 0.45% Co (2.27% Ni eq)
KK- 913	7m @ 1.09% Ni and 0.45% Co (2.21% Ni eq)

Note:- Drill holes KK-607 to 745 have previously been reported – see MLM 2009 June Quarterly Report, Table 7.

In August a 3,600 Hectare Mining Lease application (MLA 10342) was pegged over the Kokomo nickel-cobalt-scandium deposit

and the mining warden visited the site in early September to check the MLA posts. The MLA covers the nickel-cobalt and scandium laterite resources, access roads and any potential future infrastructure sites. A dry season environmental study was also been completed at Kokomo by AARC, a wet season survey will be undertaken in the March 2010 quarter.

Regional Exploration: Six Mile Gold & Base Metal Prospects

Shallow RC drilling has been completed at three gold-base metal prospects in the Six Mile tenement (located east of the Kokomo Nickel Laterite deposit) and in a small portion of the Kokomo tenement. The three prospects, namely **Trigg**, **Towers** and **Black Dingo** were tested with fourteen (14) shallow RC holes (to a maximum depth of 40m) for 402m.

Results from **Trigg** proved encouraging with elevated, gold, silver and base-metals intersected in four of the five holes drilled. The drilling at Trigg was targeted at outcropping gossans identified by soil XRF surveys and rock chip sampling, these gossans proved to be much shallower



Table 1: Six Mile Gold Project Drill Hole Parameters

Trigg Prospect					
Hole No:	Easting	Northing	Depth	Dip	Azim
TRRC-001	305,444	7,940,544	40	-60°	264.5°
TRRC-002	305,393	7,940,565	36	-60°	081°
TRRC-003	305,420	7,940,513	28	-60°	084°
TRRC-004	305,429	7,940,566	32	-60°	264°
TRRC-005	305,420	7,940,598	31	-60°	264°
Total			167		

Mick's & Towers Gold Prospect					
Hole No:	Easting	Northing	Depth	Dip	Azim
MIRC-001	306,992	7,937,308	20	-60°	322°
MIRC-002	306,980	7,937,325	25	-60°	125°
MIRC-003	307,035	7,937,345	31	-60°	311°
Total			76		

West Kokomo Costean Prospect					
Hole No:	Easting	Northing	Depth	Dip	Azim
KK-746	303,955	7,942,082	40	-60°	084°
Total			40		

Black Dingo Gold Prospect					
Hole No:	Easting	Northing	Depth	Dip	Azim
BDRC-015	307,890	7,943,795	13	-60°	174°
BDRC-016	307,890	7,943,815	25	-60°	174°
BDRC-017	307,895	7,943,835	37	-60°	178°
BDRC-018	307,870	7,943,815	22	-60°	172°
BDRC-019	307,920	7,943,810	22	-60°	172°
Total			119		

Table 2: Six Mile Gold Prospect Drilling Results

Hole No:	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Zn %	Pb %	Cu %	As %
TRRC-001	2	6	4	1.13	23	0.40	0.42	0.04	0.48
and	22	23	1	0.39	22	0.42	0.13	0.02	0.32
TRRC-002	8	9	1	1.05	64	0.15	0.54	0.02	0.73
TRRC-003	0	1	1	0.40	20	0.23	0.89	0.02	0.36
TRRC-004*	2	3	1	6.07	88	0.50	5.62	0.11	2.70
and	12	13	1	0.27	25	0.18	0.01	0.02	0.38
TRRC-005	NSR								
MIRC-001	NSR								
MIRC-002	NSR								
MIRC-003	NSR								
BDRC-015	8	9	1	0.26	0.79	0.51	0.08	0.05	0.11
BDRC-016	18	19	1	8.70	8.07	0.95	1.12	0.31	3.57
BDRC-017	29	30	1	1.34	4.01	1.39	1.20	0.26	0.90
BDRC-018	12	13	1	3.03	4.15	1.08	0.32	0.20	1.06
BDRC-019	15	17	2	3.59	5.30	0.44	1.36	0.21	2.37

* This intercept is within a 9m zone of mineralisation which assays at 0.32% Zn, 27 g/t Ag and 0.58% As

dipping than expected and mineralisation was encountered higher up the holes than postulated. The drilling indicates that these zones of mineralisation dip at a shallow angle to the east towards an area of high chargeability identified in an IP survey completed by MIM in 2003 which remained untested. It is possible that the IP chargeability anomaly is associated with elevated levels of sulphides. Drill testing of the IP chargeability anomalies and possibly some nearby exploration drilling will be completed late 2009 – early 2010 and source the down dip extensions of the mineralisation intersect in the Trigg drill holes.

No zones of anomalism were recorded at the **Towers** gold prospect. Drilling at **Black Dingo** confirmed the existence of narrow shallow dipping gold bearing veins in relatively unaltered meta-basalts with grades to 8.70g/t Au. The presence of these narrow high grade gold bearing quartz veins is encouraging and it is possible that there maybe an area within the tenement where there is a sufficient concentration that a mineable deposit may be delineated. The continuity of the quartz veins and the relatively un-altered nature of the host rocks indicate that these veins are distal from the source of the mineralisation and it is possible that a potential orebody is located within the Exploration Target areas.

Drill hole parameters and intercepts are summarised in Tables 1 and 2.

XRF Geochemical Exploration Surveys

Field Portable XRF (FP-XRF) soil surveys were completed over two localities in the Six Mile tenement, namely the **Junction Bore** and **Lucy South** prospects.

Results from the **Junction Bore** survey indicates that there is a broad molybdenum anomaly associated with the northern margins of a magnetic complex which consists of a very broad, doughnut shaped weak magnetic high that is 5-6km in diameter which has magnetic weak low at its centre. The molybdenum anomaly coincides with the northern margin of the magnetic high.

These soil results, and the presence of the magnetic anomaly also coincide with rock chip samples collected by Metallica which recorded highly anomalous Molybdenum (Mo) and Tungsten (W) values to 518ppm Mo and 5,020ppm W. A ground magnetic survey is planned for this area to better define the anomaly on the ground and obtain depth data in preparation for drill testing in early 2010.

At **Lucy South** a broad arsenic anomaly is associated with an elongate weak magnetic high, this area has also recorded anomalous gold geochemistry in stream sediment samples. Follow up ground reconnaissance and rock chipping is planned for the December quarter.

IP Surveys

Two IP surveys were completed at the Trigg and Rudd Creek prospects in September and October 2009. The surveys were completed by Quantec Geophysics of Brisbane (see detail to right).

Exploration Work Planned in the December Quarter

A new 3,330m infill drilling programme at Kokomo has commenced comprising approximately 142 RC holes within discrete zones of very high Ni-Co (>1.5% Ni Eq) and scandium mineralisation (>200g/t Sc), with drill hole spacing closed up to a nominal 25m by 20m grid. This work is being done to obtain higher confidence levels in the high grade Ni-Co and Sc zones for proposed pit design and ore scheduling for the early years of mine production for a high grade starter pit at Kokomo which can be used as supplementary high grade Nickel – Cobalt feed for NORNICO and/or a potential scandium operation.

Two RC holes for 500m are also planned for **Rudd Creek** to test the IP changeability anomaly and two holes will be drilled at **Trigg** to test an IP chargeability anomaly close to previously shallow drilled and surface gold mineralisation.

IP Surveys

TRIGG GOLD PROSPECT (SIX MILE TENEMENT)

Two lines of Dipole – Dipole IP were completed over the Trigg deposit in September. The aim of the survey was to obtain details on the depth of a chargeability anomaly identified at the prospect in 2003 by MIM. The 200m long chargeability anomaly is situated approximately 70 to 100m down dip of the surface rock geochemistry and the zones of mineralisation intersected in holes TRRC-001 and TRRC-004.

RUDD CREEK GOLD-BASE METAL PROSPECT (25KM SOUTH OF MT GARNET)

At Rudd Creek a gradient array IP survey was completed to cover an area where previous wide spaced exploration drilling had identified elevated gold, copper and zinc mineralisation associated with skarn alteration beneath 10m – 60m of Tertiary sands and gravel cover.

The survey was completed to attempt to identify any areas of high chargeability adjacent to the existing drill holes which may be associated with sulphide mineralisation which could then be targeted by future drilling.

The IP survey identified a 300m long by 150m wide chargeability anomaly centred on 304,150E and 8019,200N which sit on the northern flank of a magnetic high. Two (holes RCRC-001 and RCDDH-003), drilled in 2004 and 2008 respectively to test for buried nickel laterites and to test a coincident magnetic and gravity anomaly are located south and west of the centre of the IP anomaly. These holes intersected Tertiary sediments down to 50m then intersected moderately to strongly altered and foliated meta-sediments. Both holes were anomalous in zinc (to 620ppm Zn) and copper (to 450ppm Cu) mineralisation.

Metallica is aiming to have two RC holes drill testing the centre of the IP chargeability anomaly in the December quarter.

Lucky Break Nickel-Cobalt Project – MFC 40% MLM 60% JV

The Lucky Break nickel project, located 140km west of Townsville (see Figure 5) is a joint venture between Metals Finance Corporation (ASX:MFC) and Metallica. Metallica holds two granted Mining Leases (ML 10324 and 10332).

MFC is the manager of the Lucky Break nickel project and is responsible for all development costs as part of its earn-in agreement. Metallica is free carried and will receive a share of the operating surplus once the project is in operation, initially 15% until MFC has recouped its capital investment and then 60% thereafter. The project is to be developed and brought into nickel production at no extra cost to Metallica and hence does not dilute shareholder equity.

The other key advantage is that it provides Metallica with invaluable hydrometallurgical operational experience and know-how, ahead of the much larger scale NORNICCO development.

In early 2009, MFC completed a detailed review of the project and revised internal feasibility study, incorporating revisions in scale to approximately 60ktpa higher grade processing and a flowsheet more tailored to current market conditions. The results of the study have been positive and illustrate that the project is more robust under the new parameters, with updated projections suggesting:

- Significant reduction in acid consumption per pound of nickel produced
- Significantly lower capital cost
- Higher potential revenue from nickel metal product

MFC has commenced work on updating capital and operating costs and other related studies, with a view to finalising a Feasibility Study on the revised project by the end of 2009. The proposed nickel operation is of modest size, with nickel production in the order of 600t to 800t nickel metal per annum. The study is targeted at providing a basis for recommencing development of the project in 2010.

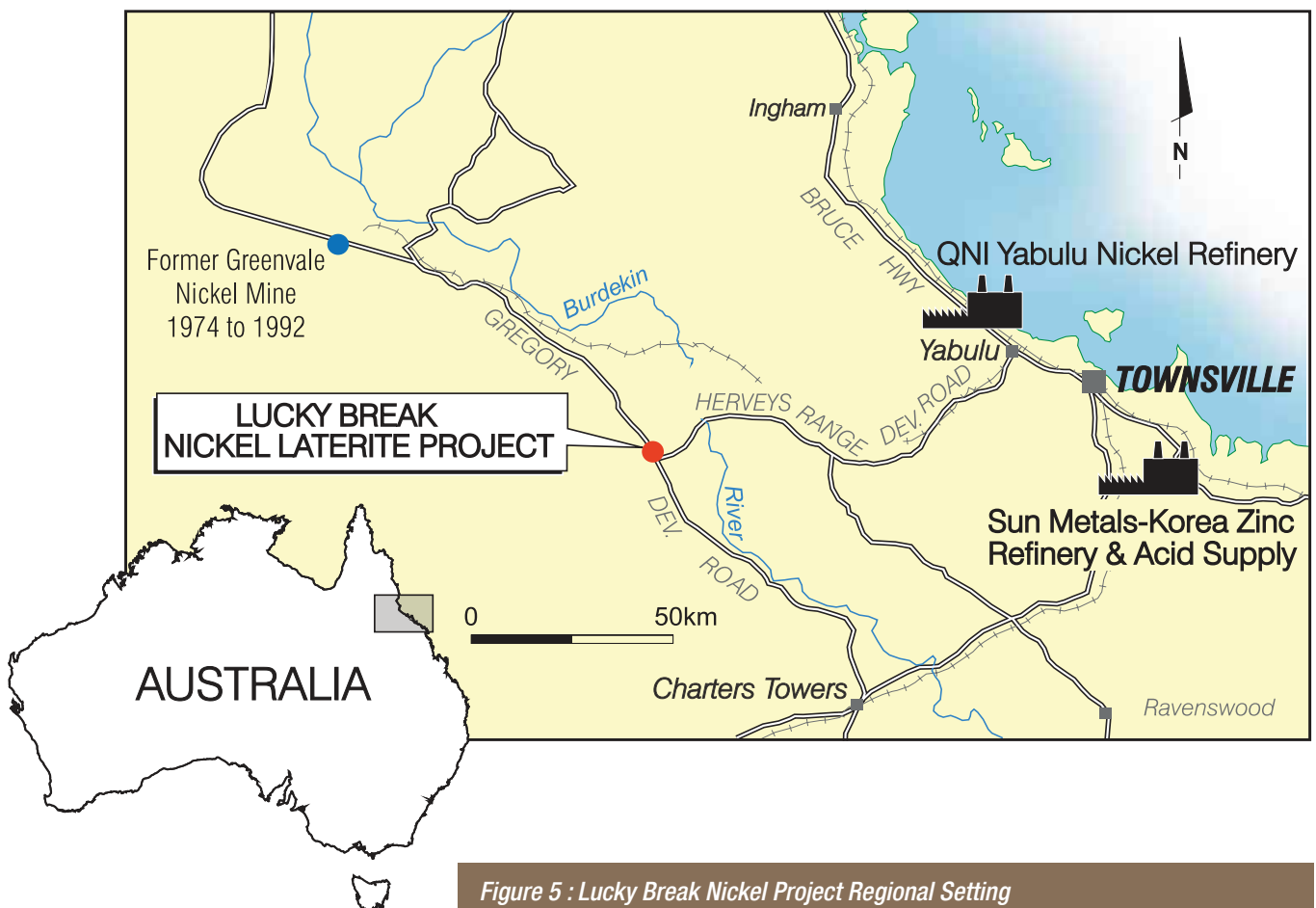


Figure 5 : Lucky Break Nickel Project Regional Setting

Coal

MetroCoal (MLM 79%) SE QLD Coal Project

- \$1 Million seed capital successfully raised.
- Initial Public Offering (IPO) in November 2009, with listing expected in early December
- EPC1501 "Dugandan" granted
- Mineral Development Licence (MDL) applications submitted over three new areas without overlapping petroleum and gas tenure

MetroCoal is an emerging coal based

energy company focused on the Surat Basin, with a vision to build a substantial cleaner energy and coal business.

MetroCoal Initial Public Offering (IPO)

MetroCoal intends to list on the Australian Stock Exchange before the end of 2009.

The Company successfully raised \$1 million in September through the issue of 6.67million shares at 0.15 cents per share. These funds will be used to prepare the IPO Prospectus and complete the IPO process, and carryout a small scale seismic survey in early 2010.

The IPO will raise the funds to deliver MetroCoal's core strategy, which is to

establish exploitable thermal coal deposits. MetroCoal's Exploration Target (*see bottom page 12) total between 2.5 and 3.5 billion tonnes (Bt), thermal coal and it is planning to confirm this target by the end of 2011. MetroCoal's development plans are

1. Provide export thermal coal from conventional underground and opencast mining operations.
2. Develop a UCG operation(s) producing syngas that can be converted to clean fuels, fertilisers or used to generate cleaner electric power

The MetroCoal IPO Prospectus was lodged with the ASIC, on 28 October 2009. Paterson's Securities has been appointed as lead broker and underwriter with Bell Potter Securities as a broker to the issue. The IPO is underwritten to the amount of \$8.4 million.

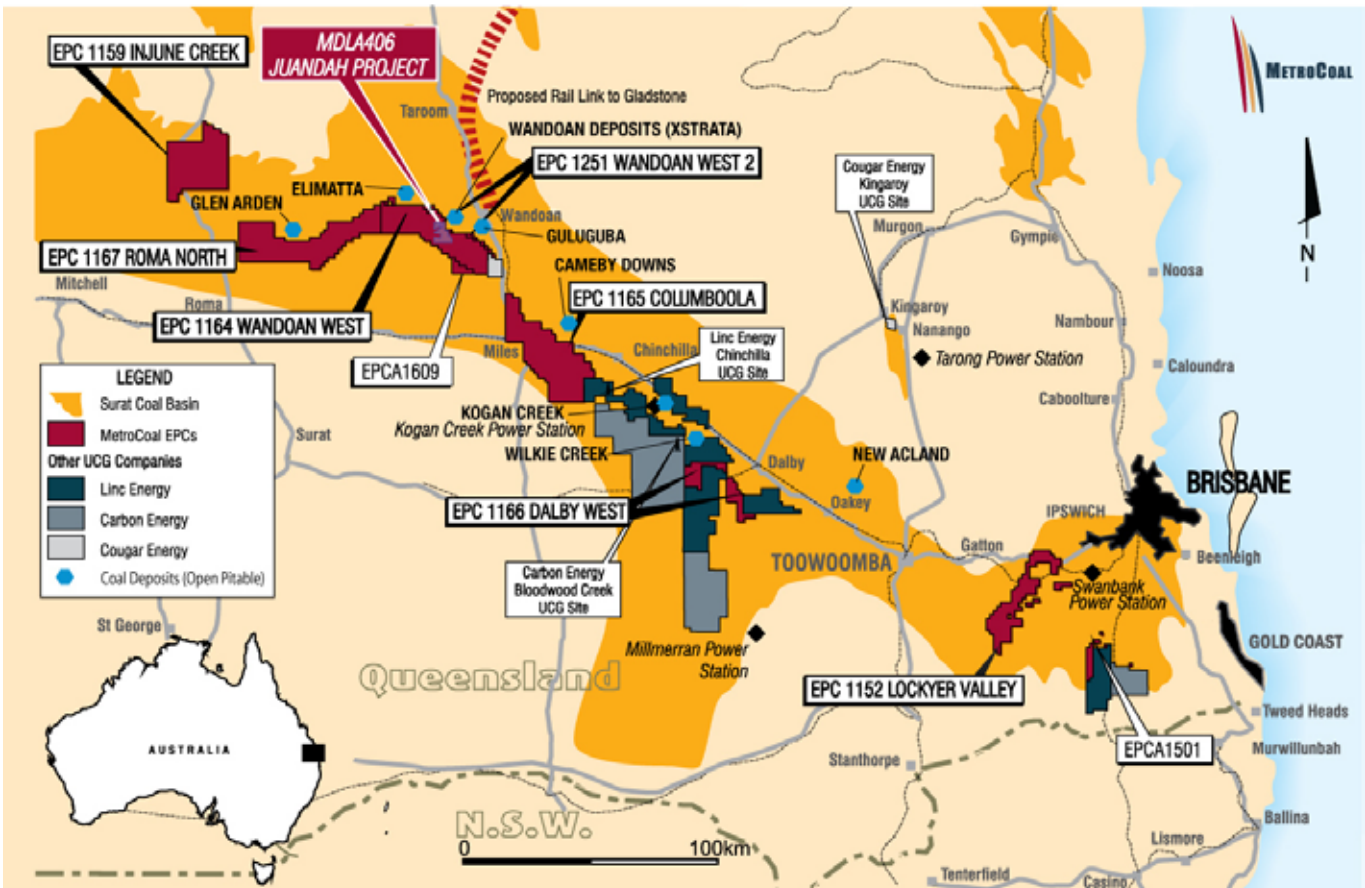


Figure 6 : MetroCoal Tenements and Setting

MetroCoal's Investment highlights

- MetroCoal holds 100% of extensive coal tenements covering 4,000km² in the Surat Basin region, which provides shareholders with excellent exposure to the increasing world and domestic demand for energy.
- MetroCoal has identified thermal coal Exploration Targets (*) totalling between 2.5 to 3.5 billion tonnes (Bt) and expects to confirm these targets within the next two years
- MetroCoal Surat Coal project includes the 100% owned Juandah thermal coal project, which has a 172Mt (149Mt Inferred and 23Mt Indicated) resource, and this area represents ~1.5% of MetroCoal's prospective coal tenements.
- The Macalister Coal Seam package is continuous and correlateable over most of MetroCoal's tenements. The Macalister Upper seam generally has a thickness and continuity that is highly prospective for longwall mining.
- MetroCoal anticipates certain tenements will hold extensive thermal coal seams suited to Underground Coal Gasification (UCG). MetroCoal's Juandah Project area is one of the few areas in Queensland that has no overlapping gas tenure.
- UCG is an attractive new source of cleaner coal energy, producing syngas for electricity generation and clean liquid fuels. UCG unlocks vast quantities of previously stranded coal resources.
- Experienced Brisbane based Board of directors and management within the mining industry.

**With regard to Exploration Targets - The potential quantity and quality is conceptual in nature, and that there is insufficient exploration to define a Mineral Resource and that it is uncertain if future exploration will result in the determination of a Mineral Resource.*

Coal Tenement Portfolio

MetroCoal holds eight granted coal tenements (EPC's 1152, 1159, 1164-1167, 1251 and 1501) with two additional recently submitted applications in progress, covering over 4,000 square kilometres of thermal coal bearing strata in the Surat, Moreton and Ipswich Coal Basins in southern Queensland, see Figure 6.

The region hosts a number of world class thermal coal deposits and the MetroCoal tenements cover coal strata extensions of well known shallow coal deposits including

Wandoan (Xstrata), Elimatta (Northern Energy), Woori (previously Gulugaba, Cockatoo Coal), Cameby Downs (Syntech) and Wilkie Creek (Peabody). The Surat Basin coals are highly amenable to Underground Coal Gasification (UCG) with Linc Energy and Carbon Energy both developing their demonstration plants in the region.

A review of borehole data compiled from previous exploration reports completed by various exploration companies over the last few decades confirm that the majority of the known coal bearing strata in MetroCoal's tenements is between 100m to 400m below surface, with several highly prospective Exploration Target areas identified.

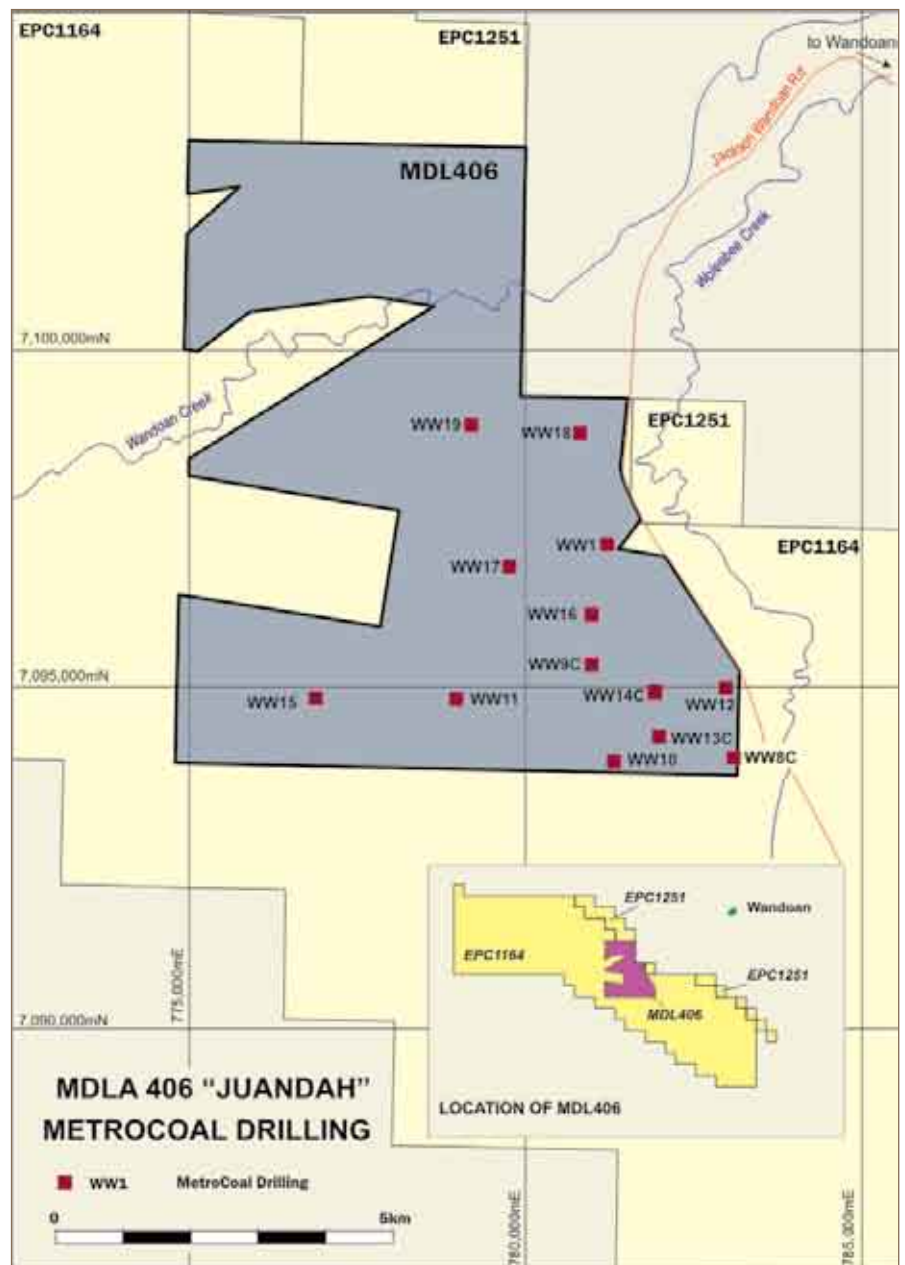


Figure 7: Current Drilling Juandah MDLA406 Coal Project

The coal in MetroCoal's tenement areas is ideally suited to conventional underground mining and underground coal gasification, in addition there may also be pockets of shallow, open Pitabale coal.

The coal in the Surat Basin is ideally suited to provide high quality export thermal product and also to provide the feedstock for an alternative energy source as UCG.

MetroCoal's core strategy is to establish exploitable coal deposits of between 2.5 to and 3.5 billion tonnes combined within its existing tenements by the end of 2011. This could provide the basis for export thermal coal from conventional underground and opencast mining operations. It could also provide a major base for UCG operations producing syngas that can be converted to clean fuels, fertilisers or used to generate cleaner electric power.

The Juandah Coal Project in MDLA 406, covers 60km² with the coal seam intersected at depths within the target area of between 150 to 350 metres below surface – ideal depths for UCG. The drilling campaign delineated the target Macalister Upper Seam in all 16 boreholes confirming the Macalister Upper seam is continuous and correlateable across the drilled area.

The Juandah resource of 172Mt (Table 3) is defined in the southeast corner of MDLA 406 (see Figure 7), for further information (see ASX releases 8 May and 28 May 2009)

Table 3: Juandah Project Macalister Upper Coal Seam Resource

Inferred Resource	149.2Mt
Indicated Resource	22.5Mt
Inferred & Indicated	171.7Mt

Further drilling is planned in these areas and in the remaining undrilled area of the MDLA to better define coal quality and delineate areas of thickened and coalesced Macalister Seams.

Tenements Granted and New Applications

During the past quarter EPC 1501 "Dugandan" has been granted. This tenement is part of the Lockyer Project (near Ipswich) and covers the prospective Ipswich Coal Measures on the South Moreton Anticline west of the town of Beaudesert. The Late Triassic Ipswich Coal Measures occur at depths below 300m within the tenure and ideal for potential UCG exploitation. The area adjoins Carbon Energy and Linc Energy exploration coal tenements.

The exploration target is to identify an area where coal seam plies coalesce to form a coal package 5m thick or more, (which would be amenable to UCG) as occurs at the nearby Ipswich Coal Fields and the undeveloped Spring Mountain coal deposit to the north. An oil & gas well, 'The

Overflow 1' was drilled in 1960, 2km to the east of the tenement and identified a 6m coal seam package at 398m depth (ref CR 510).

No historic drilling has been completed within the tenement and further drilling will be required to assess its potential.

MetroCoal has applied for a further three Mineral Development Licences (MDL) on areas within EPC 1165 Columboola.

These are:

- MDL(A) 417 Project Elle
- MDL(A) 418 Project Kaye and
- MDL(A) 419 Project Jay

These areas have no overlapping petroleum and gas tenure and are prospective for UCG but further drilling is required before this can be fully assessed.

Conventional Mining

MetroCoal's tenements offer a unique opportunity for conventional mining in the shallower areas combined with UCG in the deeper areas (>150-400m). Given the large tenement area over a prime portion of the Surat Basin there is excellent potential for the definition of very large tonnages of coal. MetroCoal is therefore looking for areas where the coal seam structure would be suited to modern, mechanised

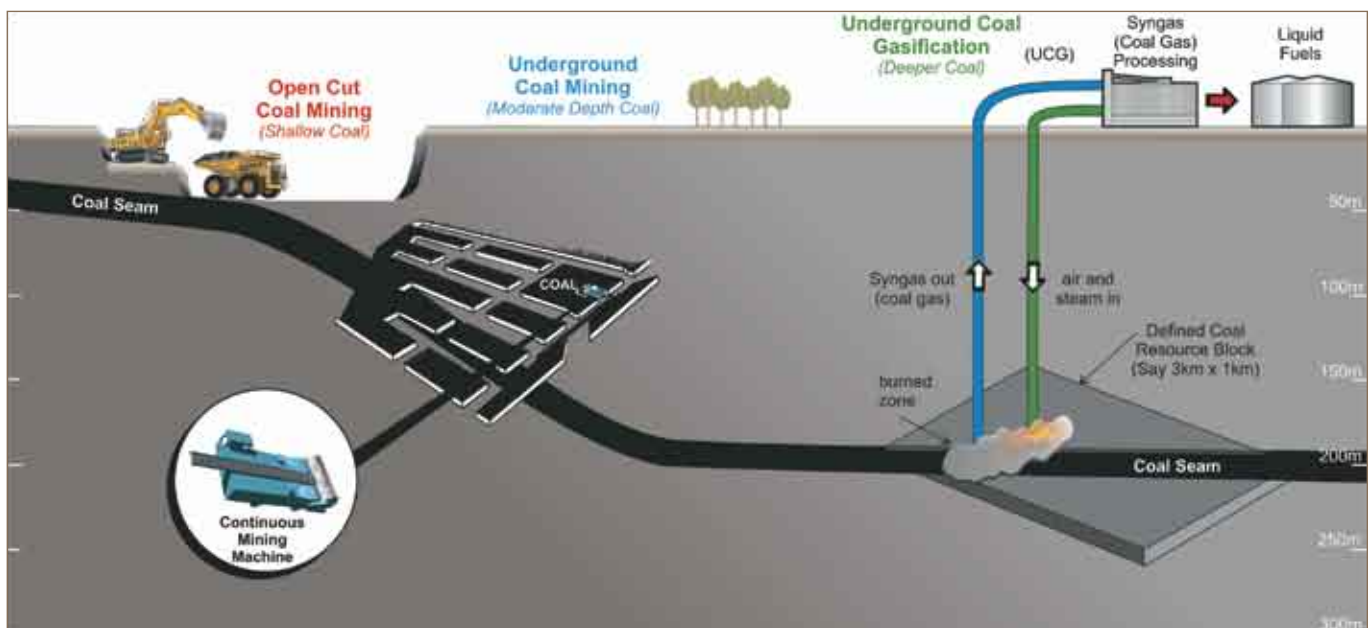


Figure 8: MetroCoal's Schematic - 3 Coal Development Strategies Within the Same Coal Project Area

underground mining systems and potentially even modest opencast mineable areas.

Examination of our recent drilling results and other available geological data confirms that the Macalister Upper Seam is continuous and correlateable over most of our tenements with variable seam thickness between 2 metres and 4.5 metres. The seam is variable due to the depositional environment, and the Macalister Upper is a stratigraphic marker horizon as it is readily identifiable in nearly all current and historical drill holes with its unique geophysical signature. This seam thickness and continuity present real opportunities for modern high productivity longwall mining.

Discussions have commenced to obtain the necessary port and rail capacity and are also continuing with potential Joint Venture partners to exploit these conventional mining opportunities.

Figure 8 is a schematic illustrating the MetroCoal concept of exploiting shallow open pitable coal, shallow-medium depth underground mining coal and the exploitation of medium to deep coal using UCG.

Underground Coal Gasification (UCG)

The UCG process heats coal at depth (between 150 and 400m) so that gasification of the coal seams take place underground. The resultant coal gas (or syngas) is utilised at surface for power generation of, in the longer term, conversion into clean diesel or other fuels or feedstock for the fertiliser and explosives industries. The climate change impetus, sustained high energy consumption, the threat of peak oil and high fuel prices together with the current economic uncertainty have created a far more receptive market awareness of

coal's broader potential as a cleaner energy contributor.

Uhde Sheddon, a Thyssen Krupp company, has completed a comprehensive report describing the syngas conversion processes and resulting products and concluding that they application of UCG is both technically and practically feasible. This work confirms the huge value locked into the deep coal that is realised through UCG. This information will be used in considering the technical options available to bring in UCG and GTL expertise. The decision on a technology pathway will be made after more complete knowledge of the coal in the tenements has been gained. The timing of this decision should give MetroCoal a substantial strategic advantage as a lot of developmental work is underway both in Australia and overseas and it is expected that there will be continuous improvement in all facets of the UCG-CTL industry over the next few years.

COMPETENT PERSONS STATEMENT

The information in this statement that relates to in situ coal results and resources is based on information compiled by GeoConsult and reviewed by Warwick Smyth, who is a member of the Australasian Institute of Mining and Metallurgy (CP) Geology; and the Australian Institute of Geoscientists. Warwick Smyth is a qualified geologist (B.Sc. Geol, Grad Dip AF&I, MAusIMM (CP), MGSA, MAIG), and has over 17 years experience which is relevant to the style of mineralisation, the type of deposit under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2004 edition of the Australia Code for Reporting of Coal Resources. Warwick Smyth consents in writing to the inclusion in the statement of the matters based on the information in the form and context in which it appears.

The information in this statement that relates to in situ coal results and Exploration Targets are based on information compiled by Neil Mackenzie-Forbes, who is a member of the Australian Institute of Geoscientists and a full time employee of MetroCoal Ltd. Neil Mackenzie-Forbes is a qualified geologist (B App Sc, MAIG), and has over 15 years experience with over 9 years relevant to the style of mineralisation, the type of deposit under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2004 edition of the Australia Code for Reporting of Coal Resources. Neil Mackenzie-Forbes consents in writing to the inclusion in the statement of the matters based on the information in the form and context in which it appears.



Bauxite

MLM Holds Approximately 33% of Cape Alumina Ltd

Cape Alumina Ltd (Cape) listed on the ASX (code CBX) in January, 2009, on the back of its 100% of the Weipa Bauxite project on Queensland's Cape York Peninsula (see Figure 9). Cape is a specialist bauxite (ore for aluminium) exploration and development company.

Metallica has a strategic 33% shareholding (comprises 42.3 million ordinary shares) in Cape.

September Quarter Highlights

- Decision to proceed with Bankable Feasibility Study (BFS) at Pisolite Hills
- Excellent progress with Environmental Impact Study (EIS) Terrestrial and Marine studies, no significant issues identified
- Successful trip to Whyalla by Aboriginal Trustees and Traditional Owners to inspect barge trans-shipment operation
- New bauxite exploration area secured

Feasibility Study

Cape Alumina's project development team completed its review of the Pisolite Hills preliminary feasibility study during the quarter. This work resulted in significant refinements to the planned layout and operational design that are expected to lead to significant technical and economic efficiencies.

The refinements include:

- In-pit conveyors instead of dump trucks;
- Two modular, movable in-pit wash plants instead of one central fixed plant;
- In-pit fines disposal and mine rehabilitation instead of large permanent fines disposal dams;
- Overland conveyor to port instead of road trains (see figure 10);
- Relocation of the mine infrastructure and

accommodation village to Port Musgrave instead of Pisolite Hills; and

- An opportunity to use Mapoon as a transport hub instead of a new airstrip at Pisolite Hills.

The revised layout and engineering design further underpins a robust business case and has given Cape Alumina's Board of Directors sufficient confidence to approve commencement of the Bankable Feasibility Study.

Exploration and Tenure

Cape Alumina controls 2,100km² of tenements including eleven granted and six pending Exploration Permits for Minerals adjoining Rio Tinto mining leases in the Weipa Bauxite Province of Cape York, Queensland (Figure 9 and Table 8).

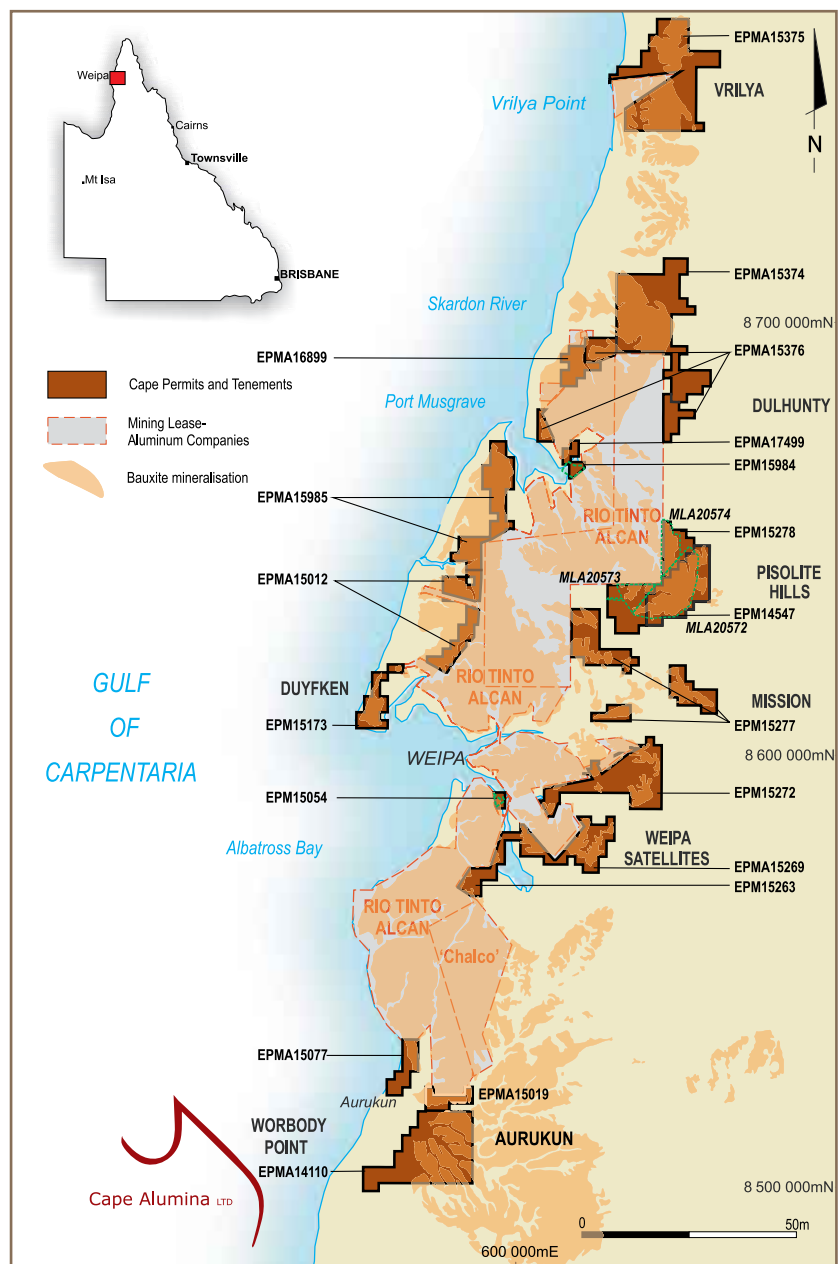


Figure 9: Cape Alumina's Weipa Bauxite Project Tenements & Regional Setting

Pisolite Hills

During the quarter, drilling was completed across the PH1 plateau at Pisolite Hills with the objective of upgrading the resource to approximately 50% in the Measured category of the Joint Ore Resource Committee (JORC) guidelines. In all, 1,503 HQ diameter aircore drill holes were completed for about 6,150m on the PH1 resource (see Table 8 either on Page 17 or at the back of the report).

Western Cape York Regional

EPM15376 (Ducie) was granted in the Dulhunty area north of Port Musgrave and the Ducie River on 30 September, 2009 for a period of 5 years. This tenement contains mapped bauxitic plateau areas with an Exploration Target between 40 and 70Mt* of dry product bauxite grading between 45% and 55% Al_2O_3 and 10-15% SiO_2 (see Figure 11).

() With regard to Exploration Targets – the potential quantity and quality is conceptual in nature, and that there has been to date, insufficient exploration to define a Mineral Resource or Ore Reserve and that it is uncertain if further exploration will result in the determination of a Mineral Resource or Ore Reserve.*

Drilling of priority exploration areas at Namaleeta and Skardon will commence prior to year-end.

New Bauxite Exploration Area – Toondoon

Three newly identified, but relatively small, iron-rich, bauxite deposits have been located approximately 225km south of Gladstone in Queensland in an area where bauxite mineralisation has not previously been recorded.

Cape Alumina has secured seven Exploration Permit applications and one granted EPM covering an area of approximately 1,330km² in the Toondoon area.

Preliminary pit samples suggest grades up to 36% Trihydrate Available Alumina (THA), 2.8% Reactive silica and 27%

Fe_2O_3 . Although bauxite of this grade would typically be considered too low quality for export, Cape Alumina is in discussions with a Chinese alumina refinery, which has spent the past 2 years developing a technique for extracting pig iron from the red mud waste product derived from alumina refining.

This process may be enhanced by the use of iron-rich bauxite. The high iron content of this bauxite may assist the potential for pig iron production from this waste product derived as a by-product from alumina refining. If so, it may warrant further investigation to determine if this bauxite might be suitable for export.

Environment

WILD RIVERS

Cape Alumina has continued to work with the Queensland Government by providing additional scientific reports on the hydrology of the Pisolite Hills area to assist the Government assessment of submissions to the Wenlock River Basin Wild River Area declaration proposal.

EIS STUDIES

Environmental studies of the following aspects of the project and its location

are underway - flora and fauna, soils, air quality, greenhouse gas, surface water, groundwater, water quality, sediment deposition, contaminated land, waste management, visual amenity, transport, noise, safety and risk, dredging, dredge disposal plume modelling, port design, seagrass, and fisheries.

Financial

As at 30 September 2009, Cape Alumina Limited had funds on hand of approximately \$10.2 million.

Indigenous Landowner Relations

During the quarter, the Pisolite Hills ILUA Working Group visited the CSL iron ore trans-shipment operation in Whyalla to gain first-hand knowledge and assess the likely environmental impact of the proposed operation at Port Musgrave. The delegation was impressed with the sophisticated nature of the operation and its low environmental impact, and expressed satisfaction with this aspect of the proposed operation at Pisolite Hills.

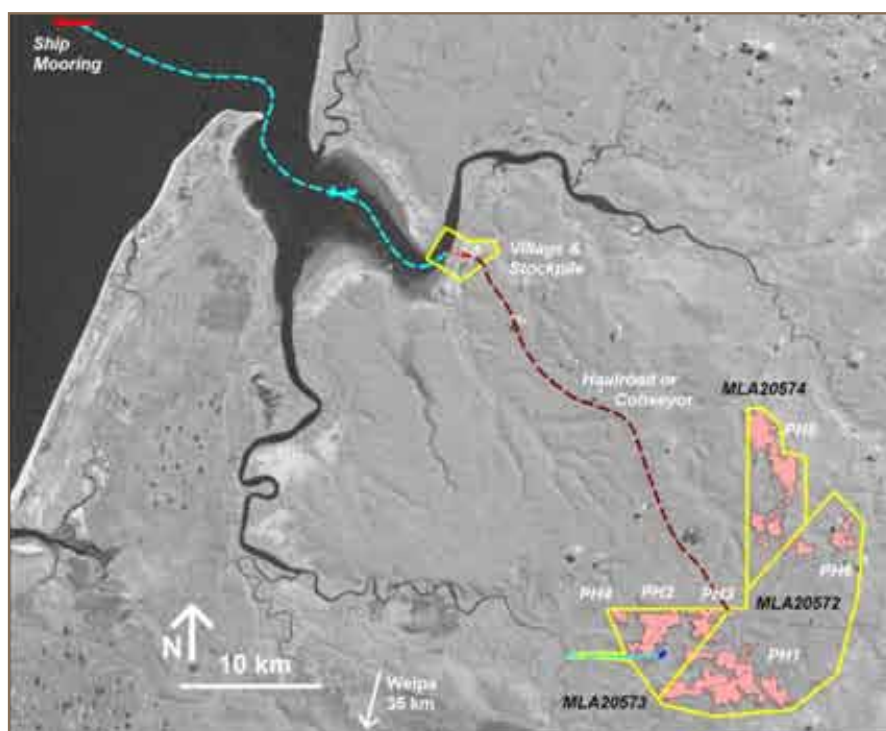


Figure 10: Cape Alumina's Pisolite Hills Bauxite Prospect, Regional Setting and Proposed Bauxite Transport Route

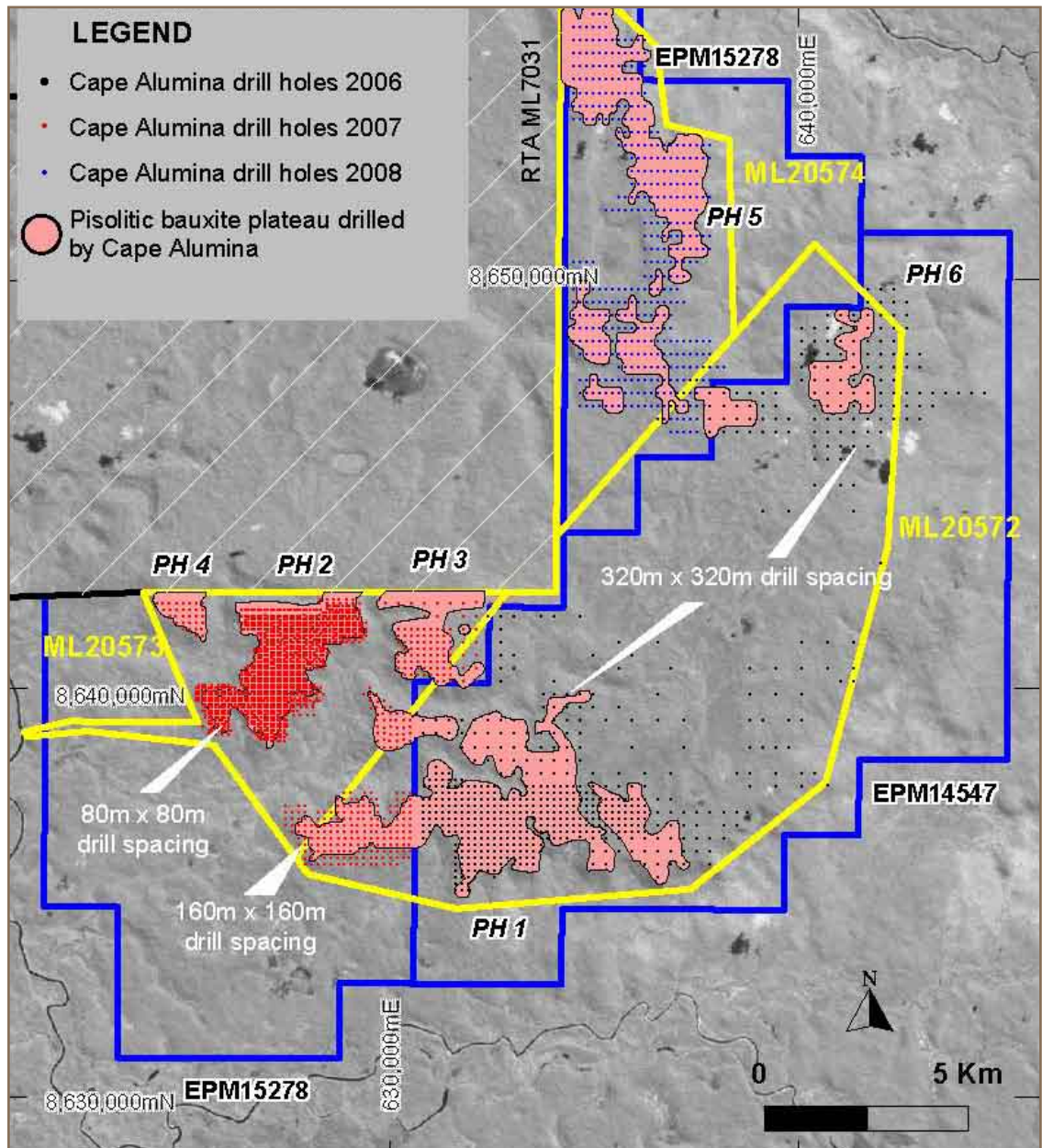


Figure 11: Pisolite Hills Bauxite Resource areas within Mining Lease Application

COMPETENT PERSONS STATEMENT

The information in this report related to Mineral Resources was compiled by Mr Justin Legg and Mr Matthew Nimmo and reviewed by Mr Justin Watson, who are full time employees of Snowden Mining Industry Consultants. Mr Legg and Mr Watson are Members of The Australasian Institute of Mining and Metallurgy and Mr Nimmo is a Member of the Australian Institute of Geoscientists. The Mineral Resource estimate is based upon and accurately reflects data compiled by Mr John Cameron who is a full time employee of Cape Alumina Limited and reviewed by Mr Legg, Mr Nimmo and Mr Watson. Mr Legg, Mr Nimmo, Mr Watson and Mr Cameron all consent in writing to the inclusion in the matters based on the information and context in which it appears in this report.

Mr Watson and Mr Cameron have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The information in this report that relates to Exploration Results is based on information compiled and supplied by Mr John Cameron from Cape Alumina Limited. Mr John Cameron is a full-time employee of Cape Alumina Limited and a member of the Australasian Institute of Mining and Metallurgy.

Planet Metals Limited ASX:PQM

MLM Holds Approximately 76%

Wolfram Camp Tungsten- Molybdenum Project

Mt Cannindah Project Copper-Gold-Project

Metallica successfully acquired 76% of Planet Metals Limited (previously Queensland Ores Limited) which hold two significant Queensland resource projects – Wolfram Camp W-Mo (85%) and Mt Cannindah Cu-Au (100%) – both with granted MLs.

The Wolfram Camp project has a full-scale commercial processing plant and equipment which had cost Queensland Ores in excess of A\$20 million. Metallica acquired its 76% holding through issuing approximately 7.2 million Metallica shares (5.8% of Metallica's expanded capital) and \$1.31 million cash.

The investment in PQM will allow Metallica to apply its expertise and resources in evaluating the Wolfram Camp Tungsten and Molybdenum project with a view of returning it to production. However no timing can be placed on this program until an updated and revised resource (after further drilling) and metallurgical review is undertaken.

In September, Planet Metals announced a one for two non-renounceable rights issue at 10 cents per share to Planet Metals shareholders. The rights issue will raise approximately \$2 million to principally fund a further resource evaluation drilling program, resource estimate, mining studies, other mine site and processing plant evaluation and reviews at the Wolfram Camp tungsten/molybdenum mine (currently under care and maintenance) in North Queensland, and for working capital. The rights issue is being carried out on post-consolidation basis following the

consolidation of the share capital of Planet Metals on a 10 for one basis, as approved by the shareholders at the General Meeting held on 4 September 2009.

Dependant on the results of the drilling program and any follow-up drilling required, resource estimate results and other work, and tungsten and molybdenum price movements; any remaining funds will be put towards further progressing the Wolfram Camp Project toward a decision for recommencing production.

Operations

Wolfram Camp (PQM 85%)

(TUNGSTEN-MOLYBDENUM PROJECT, NEAR DIMBULAH, NORTH QUEENSLAND)

Care and maintenance activities continued during the quarter at the Wolfram mine Camp Project. Regular inspections of the site took place.

Site remedial earthworks related to the storm water diversion drain, site roadworks and cleaning out of the sediment traps has been completed.

Bentonite was added to several small "sink" holes located within the main tailings dam in an attempt to limit the seepage from the dam through the main wall has been undertaken.

A 3,000m drilling diamond core drilling program for resource definition commenced mid-September 2009

WOLFRAM CAMP DRILLING

A sixty (60) hole, three thousand meter diamond drilling program has commenced at Planet Metals Tungsten (WO₃) - Molybdenum (Mo) deposit at Wolfram Camp located near Dimbulah in Northern Queensland.

The aim of this program is to confirm the existing resource which was identified at Wolfram Camp previously minded by the

Activities planned for December Quarter 2009

- Complete on site resource definition and exploration drilling program to further evaluate and confirm the open cut mineable tungsten & molybdenum resources at the Wolfram Camp project.
- Normal care and maintenance activities will continue at the Wolfram Camp Mine, sampling and monitoring of both surface and groundwater will continue as per regulatory requirements.
- Commence a revised resource estimate for Wolfram Camp W-Mo open mine area.

Company, for a short period in mid-late 2008) and to complete additional infill drilling to increase the confidence in the resource levels.

To date 15 holes have been completed for 753m of drilling, with some good intercepts of Tungsten and Molybdenum mineralisation being intersected in holes WCD-044, 045 and 046, Drill hole parameters are included in Table 4. Half core samples are currently being assayed at ALS in Townsville and the first results from this drilling program are due in early November.

Once this round of drilling has been completed a revised independent resource estimate will be undertaken and it is expected that this will be available by the end of the year.

Mount Cannindah (PQM 100%)

(COPPER-GOLD-SILVER PROJECT, NEAR MONTO, SOUTH-EAST QUEENSLAND)

Planet Metals holds 100% of the Mt Cannindah copper-gold project near Monto in South East Queensland (see figure 12). Mt Cannindah includes nine granted mining leases covering 6km² and two surrounding EPMs. The project includes a Measured Resource of 5.6Mt at 0.95% Cu and 0.4g/t Au (see Table 9, page 28) and several large mineralized prospects within a large porphyry copper-gold system.

In order to conserve cash, no exploration took place at Mount Cannindah Mining Leases or Exploration Permits.

Bamford Hill (PQM earning up to 85%)

(TUNGSTEN, MOLYBDENUM, TIN AND GOLD PROSPECT, 30KMS SOUTH WEST FROM WOLFRAM CAMP)

Planet Metals is earning in to the highly mineralized W-Mo-Sn-Pb-Ag Bamford Hill project, 30km south west of Wolfram Camp.

In order to conserve cash and focus on Wolfram Camp, no exploration took place at Bamford Hill Exploration Permits.

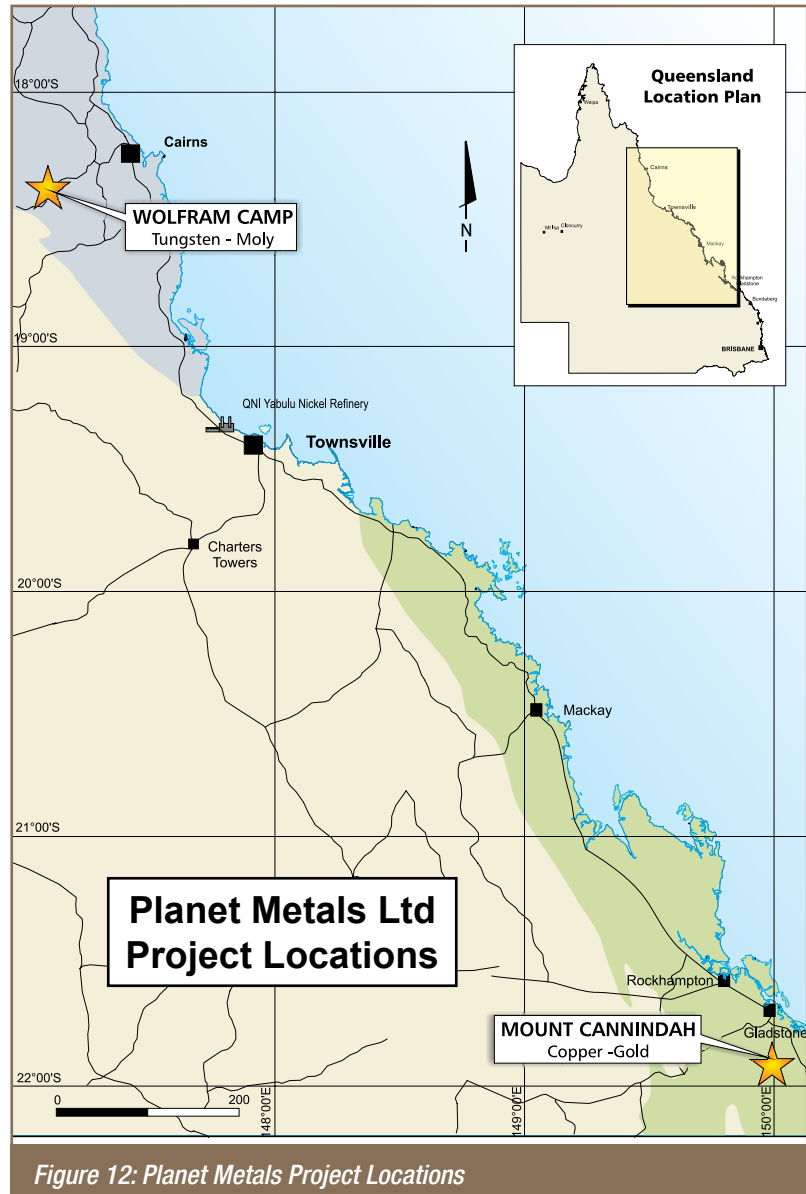


Figure 12: Planet Metals Project Locations

Table 4: Wolfram Camp Drill Hole Parameters

Hole No:	Easting	Northing	Dip	Azim	Depth
WCD-037	284230	8109635	-60	300	59.40
WCD-038	284200	8109640	-50	289	59.00
WCD-039	284223	8109645	-60	216	38.20
WCD-040	284108	8109682	-50	110	23.00
WCD-041	284093	8109690	-50	110	38.20
WCD-042	284080	8109695	-50	112	52.60
WCD-043	284123	8109687	-60	212.5	26.40
WCD-044	284083	8109723	-50	113	55.90
WCD-045	284090	8109745	-50	108.5	53.00
WCD-046	284064	8109734	-50	113.5	70.90
WCD-047	284040	8109740	-50	108	61.70
WCD-048	284050	8109710	-50	113	56.00
WCD-049	284020	8109722	-50	113	50.00
WCD-050	284070	8109765	-50	113	53.00
WCD-051	284105	8109105	-50	113	56.00

Kokomo Scandium Project

Metallica 80% Straits Resources Ltd 20%

The Kokomo scandium deposit is located on the central Kokomo Plateau which is situated approximately 50km north of the Greenvale township, see Figure 3.

In addition to the Kokomo nickel-cobalt resources, there is a significant high grade scandium resource at Kokomo. The Kokomo scandium rights are owned by Metallica 80% and Straits Resources Ltd 20%. Scandium is a rare earth "tech metal" which is used as an additive to enhance the properties of aluminium alloys, in fuel cells and lighting.

Of the 308 RC holes drilled (KK – 607 – 913), approximately 50 holes have intersected significant scandium zones (>100ppm Sc) some of which were associated with high nickel cobalt grades, although most contain around 0.5% Ni and 0.1% Co, with the best drill result being KK-805, which intersected 37m @ 436ppm Sc.

The Kokomo scandium resource totals 4.55Mt at 131g/t Sc for approximately 600 tonnes of contained Scandium metal, see Table 10A and 10B, page 29.

An independent resource estimate will be completed on the scandium mineralisation at Kokomo by Golders Associates of Brisbane and it is expected that this resource will be due out around late November.

An additional infill drilling program has been designed to close up the drill spacing in the scandium discovery zone (including hole KK-805) to 20m by 20m. The proposed program

comprises 45 holes for approximately 1,300m of drilling. This program will effectively delineate a high grade zone of scandium mineralisation, such that a more well defined resource can be estimated for this priority area.

Metallica is including scandium in its NORNICO metallurgical text work and investigating the recovery of scandium in the NORNICO flowsheet as a possible valuable by-product to the Ni-Co operation and/or as a stand alone small-scale scandium processing operation.

Once the drilling has been completed initial mining studies can be undertaken on the area to define a high grade scandium pit which can be used in feasibility studies into the possibility of developing a scandium processing plant (with nickel and cobalt).

September Quarter Scandium Evaluation Activities

Of the 307 RC holes completed at Kokomo between June and September 09 for nickel cobalt resource definition a portion of these holes intersected significant scandium mineralisation (i.e. >80ppm Sc). The scandium mineralisation usually occurs separately and/or above the nickel-cobalt mineralisation but can occur within the Ni-Co mineralised envelope. Better results for the scandium mineralisation drilled in the last phase of nickel-cobalt drilling included:

Activities Planned For the December Quarter 2009

- Complete infill drilling on the Kokomo Ni-Co-Sc deposit in Oct/ Nov 2009.
- Select out the significant scandium rich holes and add to the existing scandium drill hole database for purpose of completing independent scandium resource estimation study expected to be completed late November 2009.
- Progress the proposed large Kokomo Mining Lease application for the combined purpose of nickel-cobalt (100% NORNICO) and scandium (80% MLM, 20% Straits) laterite mining.
- Metallica and Joint Venture partner Straits resources are seeking to actively corporatise their respective 80/20 interests in the scandium project. This should allow better progress for the scandium resources and opportunities related to scandium uses and markets (with or without third parties) within its own corporate structure, management and financing capability.

Table 5: Kokomo Scandium Drill - Intercept Highlights (2009)

Hole ID	Interval (m)	Sc (g/t)	Ni (%)	Co (%)
KK-629	8	228.00	0.63	0.21
KK-635	20	195.00	0.82	0.05
KK-695	7	265.29	0.73	0.19
KK-709	28	172.00	0.08	0.02
KK-805	37	436.00	0.48	0.14
KK-828	16	447.88	0.23	0.03
KK-839	5	325.80	0.52	0.47
KK-861	25	240.00	0.29	0.05
KK-908	20	199.75	0.69	0.36

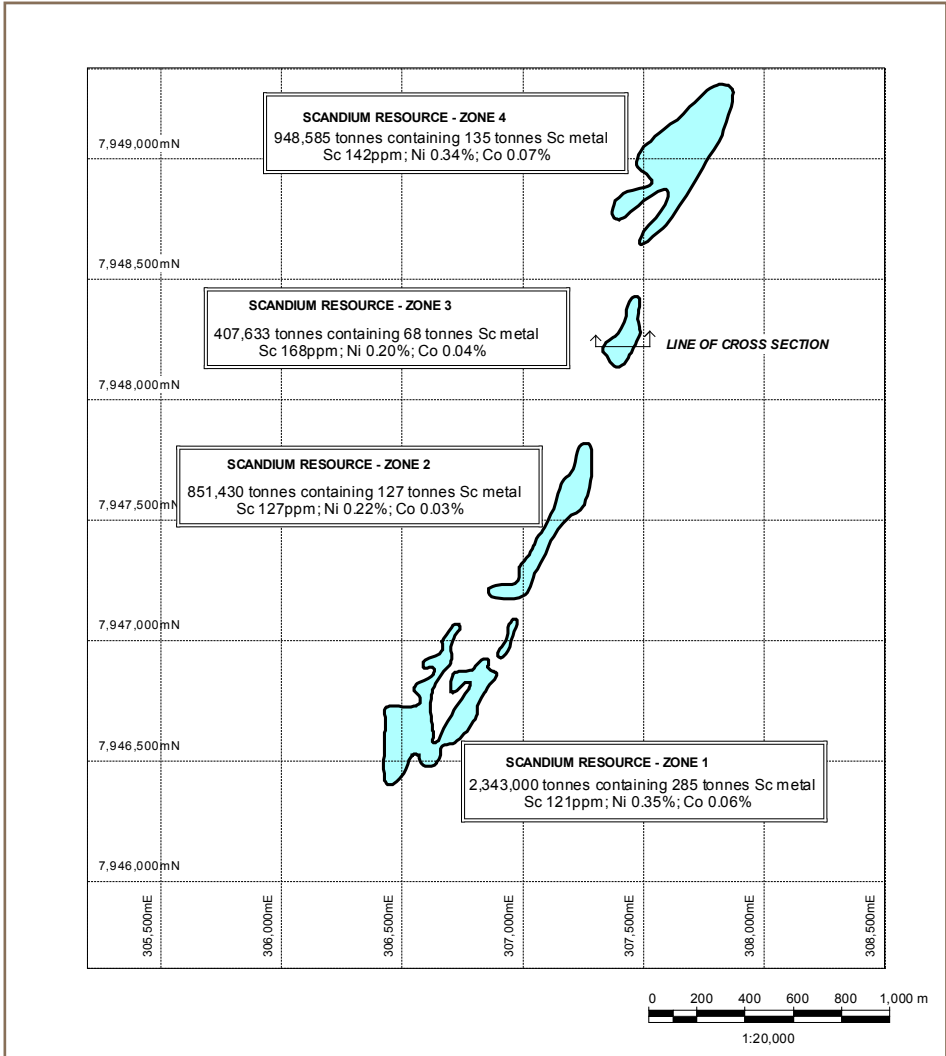


Figure 13: Kokomo Scandium Resource Outlines (Jan 09) Based on Drilling to Late 2008 Only



Limestone Projects

Metallica 100%

Metallica owns six strategically located, high quality limestone projects comprising Ootann (near NORNICO), Star and Mt Podge (near Lucky Break & Townsville), Boyne and Fairview (both near Gladstone), and the newly recognised Blue Rock deposit between Minnamoolka and Kokomo.

OOTANN

Phoenix Lime Pty Ltd (a wholly owned subsidiary of Metallica) holds 240 hectares of mining leases covering a large high grade limestone deposit suitable for calcining and underpinning NORNICO's lime and limestone requirements. Ootann is located approximately 130km via road from the proposed NORNICO processing site.

FEASIBILITY

Metallica-Phoenix Lime has investigated the construction of a new lime kiln at the Ootann limestone quarry operation for the life span of the NORNICO nickel-cobalt project. To support this, a comprehensive drilling program was completed on site. The results of this drilling program are being used to determine a JORC resource and this information will then be used to prepare a detailed whole of mine plan.

LIMESTONE SALES 2008-2009

The past year saw significant sales of crushed limestone to the Tablelands Regional Council (TRC) for use in roadworks. The 5km of road-works sheeted with Ootann's crushed rock prior to Christmas 2008 continues to stand up well after an extended wet season. Sales of agricultural lime and crushed rock products have been solid over the past year.

FAIRVIEW

Results of the drilling program completed in the September Quarter have been assayed and this information has been collated to prepare a resource statement. In addition to the existing MDLA offered for grant, an MLA has been placed over the Fairview Limestone deposit to ensure we are in a position to extract limestone at Fairview when the opportunity arises.

BOYNE

The two Boyne mining leases contain large high quality limestone deposits for crushed limestone and lime products suitable for markets in the Gladstone region. Proposed activities for late 2009 include a drilling program for the purpose of defining a limestone resource within the Boyne SW mining lease.

STAR

No field work or activities have been undertaken recently. Should the Bowen Alumina Refinery proceed, CHALCO have revealed that they will require 50,000tpa of limestone for boiler desulphurisation, and limestone from Star River will be included in our supply proposal.

BLUE ROCK

This limestone deposit is conveniently located between Minnamoolka and Kokomo nickel deposits, approximately 60km from the proposed NORNICO nickel operation. Site 4WD access, mapping and sampling was completed in the September Quarter 2009. Stone samples assayed indicate outcropping limestone to be of high quality. It's Phoenix's intention to peg a mining lease encompassing this outcrop and surveying access roads accordingly.

MOUNT PODGE

The Mount Podge EPM was granted in January 2009. The project is located 80km West of Townsville near the Herveys Range Road and close to the Star River mining lease. A 15 hole drilling campaign was completed in September 2009 and the results are currently being assessed. This area has the potential to provide a significant high grade limestone deposit close to infrastructure.

Zircon-Rutile Project Weipa Heavy Mineral Sands (HMS) Zircon-Rutile Project

MLM 100%

Through wholly owned subsidiary Oresome Australia Pty Ltd, Metallica holds 100% of one granted tenement (Urquhart Point) and three tenement applications (see Table 13, page 31) targeting rutile and zircon in sand dunes and strandlines along the coast line near Weipa and Western West Cape York Peninsular's coastline.

In 2008, an Indicated Resource of 2.8Mt @ 7.0% heavy Mineral (HM) to a maximum depth of three metres was identified at the Urquhart Point deposit, three kilometres south-west of Weipa (see Figure 14). The valuable HMS suite is dominated by zircon and rutile, likely greater than 30% combined. There is a further nine kilometres of coastline still to be tested withing the Urquhart Point tenement.

For further information see Matilda Minerals Ltd ASX Release dated 1 May 2008.

Metallica is reviewing its options on how it should progress the Weipa heavy mineral sands project. Field work is being planned around April 2010 (following wet season).

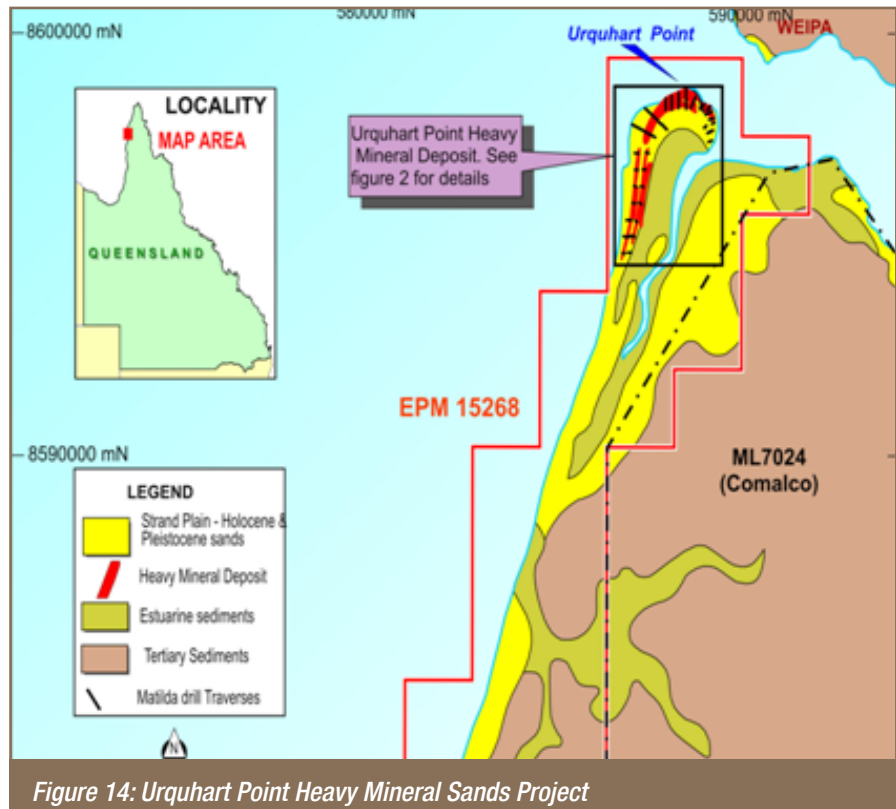


Figure 14: Urquhart Point Heavy Mineral Sands Project

COMPETENT PERSON STATEMENT

The exploration comments have been prepared by Mr Roger Hobbs B. App. Sc. (Geophys & Geol), MAusIM, a Director of Matilda, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is to be undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hobbs consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploring for Copper-Gold Uranium on South Australian Targets

Metallica can earn a 75% interest in three IOCGU style targets

In mid-July 2009, Metallica signed a joint venture agreement with unlisted Adelaide based minerals explorer Salisbury Resources Ltd (Salisbury) whereby Metallica can earn up to a 75% interest in three exploration tenements (Toby, Lake Torrens and Merna Mora).

Within each of the three tenements, attractive Iron Oxide-Copper-Gold-Uranium (IOCGU) – Olympic Dam style targets have been identified. Metallica has also taken a \$100,000 cornerstone seed capital investment in Salisbury, and has injected an additional initial \$300,000 into exploration campaigns on the three Salisbury JV Projects.

The three IOCGU farm-in projects are:

- The 188km² EL 3402 (Toby), 65km east of Oodnadatta
- The 293km² EL 3630 (Merna Mora) 30km south-west of Hawker
- The 1,207km² EL 4118 and EL 4119 (Lake Torrens) project, 50km east of the Carrapateena IOCGU Cu-Au deposit.

The targets have coincident prominent gravity highs associated with interesting magnetic features under cover in a similar exploration setting to Olympic Dam, Carrapateena and Prominent Hill deposits. To date gravity surveys have been completed on the Merna Mora and Lake Torrens IOCGU projects, with targets identified.

The first deep drill hole (TB02 – 670m) in the Toby gravity feature and magnetic complex has been completed. Granite basement was

reached at 240m with the hole predominately intersecting weak to moderately clay-chlorite altered intrusives. Unfortunately no pervasive hematite or economic minerals were observed. This drilling will most likely be followed by drilling on Merna Mora and Lake Torrens gravity-magnetic anomaly targets once current ground gravity and magnetic survey data modelling are completed to better define the anomalies for a drill site selection. Drill testing Merna Mora target(s) likely to be around April 2010



Notes and Tables



Table 6: Resource Totals for each of the NORNICO Deposits (Measured +Indicated +Inferred)

Nickel Deposit	Million Tonnes (Mt)	Ni %	Co %	Fe %	Mg %	In-situ Contained Ni Metal	In-situ Contained Co Metal
Bell Creek South	11.41	0.88	0.06	11.0	7.7	100,580	6,690
Bell Creek North	5.64	0.65	0.02	8.3	8.9	36,660	1,180
Bell Creek Northwest	5.18	0.67	0.04	14.1	5.3	34,710	1,970
The Neck	1.39	0.73	0.02	8.3	6.9	10,120	320
The Pod	0.28	0.73	0.05	9.2	5.7	2,020	140
Minnamoolka	14.73	0.66	0.03	9.4	11.7	97,820	4,280
Kokomo [#]	12.20	0.67	0.12	21.7	3.70	82,080	14,460
Totals	50.83	0.72	0.06	13.03	7.74	363,990	29,040

Table 7: NORNICO Nickel Resource Inventory – Measured, Indicated and inferred (19/01/09)

Nickel Deposit Resource Category	Tonnes (Mt)	Ni %	Co %	Fe %	Mg %	In-situ Ni Metal	In-situ Co Metal
Bell Creek South (BCS)							
Measured	10.90	0.89	0.06	11.2	7.7	97,010	6,540
Indicated	0.51	0.70	0.03	7.9	8.9	3,570	150
Bell Creek North (BCN)							
Indicated	5.64	0.65	0.02	8.3	8.9	36,660	1,180
Bell Creek Northwest (BCNW)							
Indicated	5.18	0.67	0.04	14.1	5.3	34,710	1,970
The Neck - Between BCS & BCN							
Indicated	1.39	0.73	0.02	8.3	6.9	10,120	320
The Pod[#] - west of BCS							
Inferred	0.28	0.73	0.05	9.2	5.7	2,020	140
Minnamoolka							
Indicated	11.83	0.67	0.03	9.7	11.7	79,260	3,670
Inferred	2.90	0.64	0.02	8.3	11.6	18,560	610
Kokomo*							
Indicated	5.20	0.69	0.13	23.5	3.7	35,880	6,760
Inferred	7.00	0.66	0.11	20.3	3.7	46,200	7,700
Totals	Tonnes (Mt)	Ni %	Co %	Fe %	Mg %	In-situ Ni Metal	In-situ Co Metal
Measured	10.90	0.89	0.06	11.2	7.7	97,010	6,540
Indicated	29.75	0.67	0.05	12.5	8.3	200,200	14,050
Inferred	10.18	0.65	0.08	16.6	6.0	66,780	8,450
Overall total	50.83	0.72	0.06	13.0	7.7	363,990	29,040

Notes:

1. Above categories all calculated using a 0.45% Ni cut-off grade-with the exception of Kokomo which was estimated using a 0.70% Ni Eq cog (1 Ni + 3 Co)
2. Block models for the above resources (with exception of The Pod) estimates were constructed by filling wire frame surfaces representing nickel laterite mineralisation boundary with 10m by 10m by 1m blocks. Nickel (Ni) grades were estimated by ordinary kriging using various search radius, depending on the drill spacing of the deposit. A minimum of 4 and a maximum of 15 composites were used to estimate each block, with a maximum of 3 composites from any 1 drill hole. Therefore, at least 3 drill holes were used to estimate block grade values. At Bell Creek South, Minnamoolka and Kokomo a nominal 0.3% Ni mineralised envelope was used as a hard boundary for Ni and Co block grade estimation. Hard boundaries were also used between the laterite and basement zones.
3. Variations due to rounding factors
 4. Iron (Fe) and magnesium (Mg) are included to indicate the overall ore quality, as both metals influence acid consumption as well as dissolved Fe, Mg and other metals, which are contaminants to nickel loaded pregnant solution which is treated to produce a marketable nickel and cobalt intermediate product. As a rule, the lower the Fe and Mg in the laterite ore the better metallurgy and the ore is more suited to heap leach processing.
- # The Pod Inferred resource was estimated using an arithmetic mean – cross sectional (polygonal) method, a 0.45%Ni external cut-off grade and a minimum assumed mining width of 2m was applied. (ASX Release Competent Person Patrick Smith)
- * A higher cut-off grade has been applied to the Kokomo Resource than the other NORNICO resources as the expected metal extraction process will be different and may require trucking of ore or transporting acid from Bell Creek located 60km to the north.

COMPETENT PERSONS STATEMENT

Technical information and exploration results for the NORNICO project contained in this report has been compiled by Metallica Minerals Ltd full time employees Andrew Gillies in the position of Managing Director and Metallica Minerals Ltd Exploration Manager, Mr Pat Smith MSc. B.Sc. (Hons). Mr Gillies and Mr Smith are members of the Australasian Institute of Mining and Metallurgy and have relevant experience in the mineralisation being reported on to qualify as Competent Persons as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Mr Gillies and Mr Smith consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.



Table 8: Mineral Resource for Pisolite Hills bauxite deposits within EPM14547 and EPM15278

Area	Resource Category	In-situ Dry Tonnes (Mt)	Dry Beneficiated Tonnes (Mt)	Beneficiated Bauxite Qualities							
				Total SiO2 (%)	Total Al2O3 (%)	Fe2O3 (%)	TiO2 (%)	LOI (%)	Recovery (%)	RSiO2 (%)*	THA (%)**
PH1	Indicated	47.0	31.3	12.5	53.5	6.2	2.2	25.4	66.5	7.7	41.9
	Inferred	17.3	11.0	13.2	53.0	6.2	2.2	25.2	63.3	8.0	41.3
	Total	64.3	42.2	12.7	53.3	6.2	2.2	25.3	65.7	7.8	41.7
PH2	Measured	27.5	20.1	10.8	54.4	6.7	2.2	25.6	73.1	6.4	41.8
	Inferred	0.4	0.3	10.9	54.0	7.3	2.2	25.4	76.8	6.5	41.8
	Total	27.9	20.4	10.8	54.4	6.7	2.2	25.6	73.2	6.4	41.8
PH3	Indicated	5.9	4.3	13.6	53.1	6.0	2.2	24.7	73.7	7.7	40.8
	Inferred	3.5	2.4	14.3	52.2	6.3	2.1	24.8	69.6	8.2	39.7
	Total	9.4	6.8	13.9	52.8	6.1	2.2	24.8	72.2	7.9	40.4
PH4	Indicated	3.2	2.3	10.7	53.9	7.4	2.2	25.5	72.7	6.6	42.1
	Inferred	1.3	0.9	11.0	53.6	7.5	2.2	25.3	73.0	6.8	41.5
	Total	4.5	3.3	10.8	53.8	7.4	2.2	25.5	72.8	6.6	41.9
PH5	Indicated	-	-	-	-	-	-	-	-	-	-
	Inferred	24.1	13.4	13.3	50.8	8.7	2.5	24.4	55.6	8.3	40.6
	Total	24.1	13.4	13.3	50.8	8.7	2.5	24.4	55.6	8.3	40.6
PH6	Indicated	-	-	-	-	-	-	-	-	-	-
	Inferred	2.2	1.3	11.8	50.2	9.7	2.3	25.7	59.7	9.2	39.4
	Total	2.2	1.3	11.8	50.2	9.7	2.3	25.7	59.7	9.2	39.4
Total Measured		27.5	20.1	10.8	54.4	6.7	2.2	25.6	73.1	6.4	41.8
Total Indicated		56.1	37.9	12.5	53.5	6.2	2.2	25.3	67.6	7.6	41.8
Total Inferred		46.6	28.0	13.2	51.8	7.6	2.3	24.8	60.2	8.1	40.8
GLOBAL TOTAL		130.2	86.1	12.4	53.1	6.8	2.2	25.2	66.1	7.5	41.5

Note: The Pisolite Hills Mineral Resource has been reported assuming that the bauxite will be blended with an external source during low-temperature processing to ensure that the bauxite material feed achieves reactive silica and iron oxide thresholds specific to a nominated alumina refinery.

Table 9: Mt Cannindah Resource Table

Prospect	Resource Category	Tonnes (millions)	% Cu	g/t Au	Contained tonnes Cu	Contained oz Au
Mount Cannindah Mine	Measured	5.57	0.95	0.41	52,915	73,400
Mount Cannindah Mine	Inferred	1.9	1.0	0.3	19,000	18,300

COMPETENT PERSONS STATEMENT

The information in the attached report that relates to Exploration Results, Mineral Resources and Ore Reserves was based on information compiled by Mr. Andrew Border and Golder Associates. Andy Border is a Member of the Australasian Institute of Mining and Metallurgy, and was a full time employee of PMQ is responsible for the resource estimates. Mr Border has sufficient which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Border consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please refer to ASX release dated 31 March 2008.

Table 10A: Kokomo Scandium Deposit - Resource

Zone	Tonnes	Sc (ppm)	Ni (%)	Co (%)	Tonnes Sc Metal
Zone 1	2,343,000	121	0.35	0.06	285
Zone 2	851,430	127	0.22	0.03	109
Zone 3	407,633	168	0.20	0.04	68
Zone 4	948,585	142	0.34	0.07	135
Total	4,550,648	131	0.31	0.05	596

Table 10B: Kokomo Scandium Deposit – Resource Categories

Category	Tonnes (Mt)	Sc (ppm)	Tonnes (Sc Metal)
Indicated	3.60	128	462
Inferred	0.95	142	134
Total	4.55	131	596

COG of 60ppm Sc was used

The Kokomo scandium resource has been estimated using the following criteria - The resource is based on 107 RC (prior to the 2009 drilling) holes - A COG for scandium of 60ppm was applied – Only intercepts greater than 1m were included - Internal dilution of up to 2m was used - No top cut was applied - Only the scandium mineralisation within the laterite zone was included in the estimate - Scandium values >60ppm in fresh rock were not included in the resource, Individual holes with >60ppm Sc which plotted outside the four main zones were also not included in the resource - The resource estimate was calculated by a manual arithmetic mean cross – sectional area method - An SG of 1.65 was used for the laterite based on results from diamond drill core and shallow pits - In the areas where the drilling has been closed up to 50m by 40m the resource can be classified as Indicated and the remainder of the resource can be classified as Inferred.

COMPETENT PERSONS STATEMENT

This Mineral Resource estimate for the Kokomo Scandium project is based upon and accurately reflects data compiled and validated by Patrick Smith (Metallica's Exploration manager) who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Metallica Minerals Ltd. Mr Smith has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Smith consents to the inclusion of this information in the form and context in which it appears in this document.

Tenement schedule (as at 30th Sept 2009)

Nickel-Cobalt Projects

Table 11

Tenement	Project Name	Holder/ Applicant	Status (expiry date)	No. Sub Block	Commodity Targeted	Min. Annual Expenditure
ML 4187	Bell Creek North Lease	NORNICO Pty Ltd	Granted (29/2/2020)	71.35 Ha	Ni , Co	N/A
ML 4188	Bell Creek South Lease	NORNICO Pty Ltd	Granted (29/2/2020)	98.11 Ha	Ni , Co	N/A
ML 10324	Dingo Dam	NORNICO Pty Ltd	Granted (28/02/2026)	36.17 Ha	Ni , Co	N/A
ML 10332	Lucky Break	NORNICO Pty Ltd	Granted (30/11/2027)	241.7 Ha	Ni, Co	N/A
MLA 20549	Bell Ck Consolidated	NORNICO Pty Ltd	Application	2145 Ha	Ni, Co	N/A
MDL 387	Minnamoolka	NORNICO Pty Ltd	Granted (30/6/2013)	654.26 ha	Ni, Co	\$100,000
EPM 10235	Minnamoolka	NORNICO Pty Ltd	Granted (8/9/2008)*	5	Ni , Co	\$60,000
EPM 10699	Kokomo	NORNICO Pty Ltd	Granted (21/8/2013)	21	Ni , Co, Sc, Au	\$100,000
EPM 11285	Bell Creek	NORNICO Pty Ltd	Granted (27/8/2008)*	8	Ni , Co	\$50,000
EPM 14066	Greenvale South	NORNICO Pty Ltd	Granted (22/08/2009)*	48	Ni , Co, PGE	\$50,000
EPM 14070	Greenvale North	NORNICO Pty Ltd	Granted (22/08/2009)*	65	Ni , Co, Cu, Au	\$50,000
EPM 14101	Mt Garnet South	NORNICO Pty Ltd	Granted (22/12/2008)*	80	Ni , Co, Au, PGE	\$60,000
EPM 14181	Lucky Downs	NORNICO Pty Ltd	Granted (22/08/2009)*	18	Ni , Co, Cu	\$40,000
EPM 14273	Moonmyata	NORNICO Pty Ltd	Granted (22/12/2012)	125	Ni , Co, Au , PGE	\$40,000
EPM 14381	Greenvale South #2	NORNICO Pty Ltd	Granted (14/12/2009)*	15	Ni , Co, Cu	\$40,000
EPM 14518	Mt Garnet South #2	NORNICO Pty Ltd	Granted (7/3/2010)	87	Ni , Co, Au, Cu	\$40,000
EPM 14608	Pinnerendi	NORNICO Pty Ltd	Granted (16/6/2010)	12	Ni	\$60,000
EPM 14658	Yellow Jack	NORNICO Pty Ltd	Granted (26/6/2010)	13	Ni , Co	\$40,000
EPM 14987	Sandy Creek	NORNICO Pty Ltd	Granted (8/11/2010)	50	Ni , Co, Au, U.	\$40,000
EPM 15198	Kinrara	NORNICO Pty Ltd	Granted (26/9/2008)*	67	Ni , Co, PGE, Cu	\$50,000
EPM 15924	Gunnawarra	NORNICO Pty Ltd	Granted (7/12/2011)	6	Mg	\$13,000
EPM 17707	Pinnacles	NORNICO Pty Ltd	Granted (26/4/2014)	16	Ni, Co	\$50,000
EPMA 17892	Lockup Well	NORNICO Pty Ltd	Application	1	Ni, Co	\$15,000
EPMA 17893	Broken River South	NORNICO Pty Ltd	Application	3	Ni, Co	\$20,000
EPMA 18167	Canoona	NORNICO Pty Ltd	Application	22	Ni, Co	\$20,000
EPMA 18175	Pinnacles Consolidated	NORNICO Pty Ltd	Application	21	Ni, Co	\$50,000
MLA 10342	Kokomo	NORNICO Pty Ltd	Application	3593.07 ha	Ni, Co	N/A
MLA 10342	Kokomo	NORNICO Pty Ltd	Application	3593.07 ha	Ni, Co	N/A

Note: NORNICO Pty Ltd previously named QLD Gold Pty Ltd.
NORNICO is a 100% subsidiary of Metallica Minerals Ltd.

Coal Projects (MetroCoal Ltd)

Table 12

Tenement	Project Name	Holder/ Applicant	Status (expiry date)	No. Sub Block	Commodity Targeted	Min. Annual Expenditure
EPC 1152	Lockyer Valley	MetroCoal Ltd	Granted (11/12/2012)	150	Open Cut Thermal Coal & UCG	\$60,000
EPC 1159	Injune Creek	MetroCoal Ltd	Granted (11/12/2010)	237	Open Cut Thermal Coal & UCG	\$55,000
EPC 1164	Wandoan West	MetroCoal Ltd	Granted (11/12/2010)	215	Open Cut Thermal Coal & UCG	\$55,000
EPC 1165	Columboola	MetroCoal Ltd	Granted (9/12/2010)	294	Open Cut Thermal Coal & UCG	\$55,000
EPC 1166	Dalby West	MetroCoal Ltd	Granted (11/12/2012)	97	Open Cut Thermal Coal & UCG	\$60,000
EPC 1167	Roma North	MetroCoal Ltd	Granted (11/12/2010)	289	Open Cut Thermal Coal & UCG	\$55,000
EPC 1251	Wandoan West 2	MetroCoal Ltd	Granted (16/9/2013)	19	Open Cut Thermal Coal & UCG	\$20,000
EPC 1501	Dugandan	MetroCoal Ltd	Granted (28/9/2014)	20	Open Cut Thermal Coal & UCG	\$10,000
EPCA 1609	Wandoan West 3	MetroCoal Ltd	Application	18	Open Cut Thermal Coal & UCG	\$40,000
EPCA 1640	Pentland South	MetroCoal Ltd	Application	114	Open Cut Thermal Coal & UCG	\$120,000
MDLA 406	Juandah	MetroCoal Ltd	Application	4986 ha	Open Cut Thermal Coal & UCG	\$330,000
MDLA 417	Elle	MetroCoal Ltd	Application	24534.86 ha	Open Cut Thermal Coal & UCG	\$100,000
MDLA 418	Kay	MetroCoal Ltd	Application	1837.5 ha	Open Cut Thermal Coal & UCG	\$100,000
MDLA 419	Jay	MetroCoal Ltd	Application	4254.85 ha	Open Cut Thermal Coal & UCG	\$100,000

Note: MetroCoal Limited owned 84% by Metallica Minerals Limited.

Limestone Projects

Table 13

Tenement	Project Name	Holder/ Applicant	Status (expiry date)	No. Sub Block	Commodity Targeted	Min. Annual Expenditure
ML 10276	Star River Limestone	Metallica Minerals Ltd	Granted (30/4/2023)	18.54 Ha	Limestone	N/A
ML 80131	Boyne Limestone NE	Metallica Minerals Ltd	Granted (30/4/2027)	54.40 Ha	Limestone	N/A
ML 80132	Boyne Limestone SW	Metallica Minerals Ltd	Granted (30/9/2027)	52.70 Ha	Limestone	N/A
EPM 13423	Boyne Limestone	Metallica Minerals Ltd	Granted (1/1/2011)	4	Limestone	\$10,000
EPM 13756	Fairview Limestone	Metallica Minerals Ltd	Granted (10/12/2011)	2	Limestone	\$10,000
EPM 14042	Fairview Extended	Metallica Minerals Ltd	Granted (23/10/2007)*	2	Limestone	\$60,000
EPM 17018	Mt Podge	Phoenix Lime Pty Ltd	Granted (12/2/2014)	4	Limestone	\$22,500
MDL 394	Fairview	Metallica Minerals Ltd	Granted (31/8/2014)	776.6 Ha	Limestone	\$50,000
MLA 80162	Fairview	Metallica Minerals Ltd	Application	692.8 Ha	Limestone	N/A
ML 4788	Crotty 1	Phoenix Lime Pty Ltd	Granted (31/1/2026)	2.023 Ha	Limestone	N/A
ML 4789	Crotty 2	Phoenix Lime Pty Ltd	Granted (31/1/2026)	2.023 Ha	Limestone	N/A
ML 5079	Crotty	Phoenix Lime Pty Ltd	Granted (30/4/2025)	25.95 Ha	Limestone	N/A
ML 5372	Crotty 3	Phoenix Lime Pty Ltd	Granted (31/1/2013)	210 Ha	Limestone	N/A

Note: Phoenix Lime Pty Ltd is a 100% subsidiary of Metallica Minerals Ltd.

Gold, Precious and Base Metals, Other Projects

Table 14

Tenement	Project Name	Holder/ Applicant	Status (expiry date)	No. Sub Block	Commodity Targeted	Min. Annual Expenditure
EPM 13873	Six Mile	NORNICO Pty Ltd	Granted (10/12/2009)*	51	Gold, Copper	\$50,000
EPM 15268	Urquhart Point	Oresome Australia Pty Ltd	Granted (24/10/2012)	24	Rutile, Zircon, HMS	\$30,000
EPMA 15370	Jackson River	Oresome Australia Pty Ltd	Offered for grant	14	Rutile, Zircon, HMS	\$15,000
EPM 15371	Doughboy	Oresome Australia Pty Ltd	Granted (28/9/2014)	16	Rutile, Zircon, HMS	\$15,000
EPM 15372	Jardine	Oresome Australia Pty Ltd	Granted (28/9/2014)	45	Rutile, Zircon, HMS	\$15,000
EPM 15848	Tondon	Oresome Australia Pty Ltd	Granted (22/05/2013)	18	Bauxite	\$17,000
EPMA 18015	Jackson River #2	Oresome Australia Pty Ltd	Offered for grant	3	Rutile, Zircon, HMS	\$15,000
EPMA 18015	Jackson River #2	Oresome Australia Pty Ltd	Application	3	Rutile, Zircon, HMS	\$15,000

Note: Oresome Australia Pty Ltd is owned 100% by Metallica Minerals Limited.

Note:-

(*) In Renewal

PGE = Platinum Group Elements, HMS = Heavy Mineral Sands,

All tenements 100% held unless expressed otherwise

NORNICO Pty Ltd previously named QLD Gold Pty Ltd

EPM = Exploration Permit for Minerals

EPMA = Application for Exploration Permit for Minerals

EPC = Exploration Permit for Coal

EPCA = Application for Exploration Permit for Coal

ML = Mining Lease

MLA = Application for Mining Lease

MDL = Mineral Development Licence

MDLA = Mineral Development Licence Application

Kokomo Drill Results (KK-607 to KK-913)

September Quarter

Table 15

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-607	306400	7947150	-90	0	16	2	5	3	0.69	0.04	31.70	1.94
KK-608	306360	7947150	-90	0	12	NSR						
KK-609	306320	7947150	-90	0	16							
KK-610	306280	7947150	-90	0	25	NSR						
KK-611	306260	7947150	-90	0	25	0	10	10	1.17	0.12	16.47	7.43
KK-612	306300	7947300	-90	0	13	NSR						
KK-613	306440	7947250	-90	0	25	14	25	11	0.64	0.20	50.40	0.68
KK-614	306400	7947250	-90	0	16	13	16	3	0.36	0.14	48.90	0.18
KK-615	306360	7947250	-90	0	19	13	16	3	0.36	0.14	48.90	0.18
KK-616	306320	7947240	-90	0	25	12	15	3	0.52	0.23	34.73	0.27
KK-617	306660	7946600	-90	0	22	17	23	6	0.74	0.11	29.55	2.15
KK-618	306700	7946600	-90	0	19	5	16	11	0.87	0.09	31.16	2.69
KK-619	306740	7946600	-90	0	10	6	17	11	0.96	0.14	22.94	4.30
KK-620	305700	7946550	-90	0	22	NSR						
KK-621	306660	7946550	-90	0	19	6	9	3	1.11	0.44	30.86	2.54
KK-622	306620	7946550	-90	0	22	12	22	10	0.71	0.13	30.26	6.29
KK-623	306620	7946520	-90	0	16	NSR						
KK-624	306560	7946450	-90	0	45	NSR						
KK-625	305000	7943800	-90	0	25	NSR						
KK-626	305100	7943787	-90	0	20	NSR						
KK-627	305100	7944000	-90	0	31	16	25	9	0.63	0.04	22.49	2.20
KK-628	305200	7944000	-90	0	31	NSR						
KK-629	305200	7944155	-90	0	19	5	9	4	0.93	0.37	45.15	0.55
KK-630	305240	7944150	-90	0	34	NSR						
KK-631	305280	7944150	-90	0	19	6	10	4	1.01	0.01	19.12	2.01
KK-632	305280	7944350	-90	0	19	4	6	2	0.46	0.04	21.95	2.64
KK-633	305190	7944200	-90	0	16	NSR						
KK-634	305220	7944253	-90	0	25	NSR						
KK-635	305880	7945355	-90	0	31	6	16	10	0.74	0.04	17.86	3.01
KK-636	305840	7945350	-90	0	19	0	2	2	0.74	0.03	12.15	4.36
KK-637	305760	7945350	-90	0	31	12	18	6	1.16	0.08	27.45	1.94
KK-638	305840	7945250	-90	0	31	6	25	19	1.43	0.08	16.87	6.22
KK-639	305825	7945250	-90	0	25	NSR						
KK-640	305840	7945300	-90	0	28	9	24	15	0.57	0.03	10.17	0.95
KK-641	306000	7945350	-90	0	13	NSR						
KK-642	305760	7645400	-90	0	13	5	8	3	0.96	0.05	12.70	1.44
KK-643	305800	7945400	-90	0	34	7	12	5	0.76	0.12	23.56	0.43
KK-644	306100	7945500	-90	0	28	8	16	8	1.20	0.05	13.94	7.36
KK-645	306060	7945500	-90	0	28	3	6	3	0.64	0.04	16.93	0.44
KK-646	306060	7945450	-90	0	31	2	13	11	1.04	0.03	16.23	4.98
KK-647	308080	7945450	-90	0	25	4	13	9	0.64	0.05	13.78	5.61

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-648	306080	7945400	-90	0	13	NSR						
KK-649	306040	7945400	-90	0	25	7	10	3	0.83	0.04	22.57	5.99
KK-650	306030	7945450	-90	0	34	0	4	4	0.75	0.06	22.55	1.83
KK-651	306105	7945545	-90	0	25	NSR						
KK-652	305920	7945550	-90	0	19	5	10	5	0.60	0.06	9.82	1.24
KK-653	305800	7945650	-90	0	19	7	11	4	0.60	0.10	22.05	3.64
KK-654	305720	7945650	-90	0	19	NSR						
KK-655	305800	7945750	-90	0	19	1	6	5	0.74	0.06	19.07	5.63
KK-656	305760	7945850	-90	0	19	3	10	7	0.68	0.13	22.74	1.88
KK-657	305760	7945950	-90	0	19	6	12	6	0.80	0.34	13.60	3.70
KK-658	306180	7945750	-90	0	13	NSR						
KK-659	306230	7945750	-90	0	13	NSR						
KK-660	306180	7945650	-90	0	25	NSR						
KK-661	306140	7945650	-90	0	25	NSR						
KK-662	306200	7946150	-90	0	25	12	23	11	0.73	0.04	13.81	4.23
KK-663	306200	7946200	-90	0	19	2	15	13	1.93	0.63	23.41	1.42
KK-664	306218	7946202	-90	0	25	8	23	15	0.61	0.03	12.80	5.09
KK-665	306360	7946350	-90	0	25	NSR						
KK-666	306450	7947300	-90	0	25	9	17	8	1.10	0.13	18.99	3.86
KK-667	306440	7946250	-90	0	25	7	19	12	0.77	0.21	19.08	0.89
KK-668	306400	7946350	-90	0	25	12	16	4	0.60	0.16	22.87	0.80
KK-669	306480	7946350	-90	0	37	24	30	6	0.52	0.10	32.35	1.95
KK-670	306440	7946350	-90	0	34	NSR						
KK-671	306520	7946400	-90	0	43	NSR						
KK-672	306480	7946400	-90	0	46	NSR						
KK-673	306440	7946400	-90	0	28	NSR						
KK-674	306445	7946650	-90	0	25	NSR						
KK-675	306480	7946650	-90	0	13	NSR						
KK-676	306520	7946650	-90	0	19	0	5	10	0.67	0.19	21.20	1.69
KK-677	306560	7946650	-90	0	19	7	14	7	0.47	0.05	16.15	3.96
KK-678	306600	7946650	-90	0	25	9	21	12	0.61	0.08	29.87	1.73
KK-679	306640	7946650	-90	0	34	1	14	13	0.65	0.07	17.00	2.35
and						16	21	5	0.62	0.03	17.72	6.82
KK-680	306680	7946650	-90	0	34	6	11	5	0.62	0.09	17.52	2.13
and						14	29	15	0.54	0.04	17.69	6.08
KK-681	306720	7946700	-90	0	28	4	12	8	1.00	0.22	21.56	2.36
and						18	25	7	0.73	0.11	21.13	5.32
KK-682	306760	7946750	-90	0	28	0	19	19	0.94	0.11	20.04	3.60
KK-683	306765	7946765	-90	0	28	11	23	12	1.14	0.51	37.27	2.40
KK-684	306800	7946750	-90	0	37	18	21	3	1.03	0.37	14.70	2.40
KK-685	306840	7946750	-90	0	31	16	25	9	0.89	0.14	12.19	9.41
KK-686	306780	7946700	-90	0	25	10	13	3	0.86	0.17	13.63	5.62
KK-687	306760	7946650	-90	0	19	1	7	6	0.63	0.08	14.90	3.87
KK-688	306480	7946750	-90	0	22	13	17	4	0.75	0.04	19.92	3.52
KK-689	306820	7946800	-90	0	37	22	28	6	1.10	0.25	12.43	7.79

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-690	306780	7946800	-90	0	28	13	18	5	1.22	0.22	22.70	8.08
KK-691	306740	7946800	-90	0	10	Hole abandoned						
kk-691A	306742	7946800	-90	0	22	5	11	6	1.00	0.21	14.00	10.13
KK-692	306860	7946850	-90	0	40	18	23	5	1.34	0.35	11.01	7.01
KK-693	306820	7946850	-90	0	31	14	23	9	0.84	0.16	14.92	5.59
KK-694	306780	7946850	-90	0	25	9	16	7	1.14	0.21	15.29	10.35
KK-695	306740	7946850	-90	0	28	9	28	19	0.80	0.23	21.94	5.59
KK-696	306900	7946900	-90	0	49	30	45	15	0.99	0.15	10.09	6.38
KK-697	306840	7946900	-90	0	25	9	16	7	0.74	0.15	18.89	4.45
KK-698	306560	7946950	-90	0	19	8	11	3	0.74	0.04	11.60	4.71
KK-699	306860	7946950	-90	0	22	10	13	3	0.58	0.15	24.17	21.37
KK-700	306900	7946950	-90	0	37	19	29	10	0.88	0.11	11.75	6.71
KK-701	306900	7947000	-90	0	31	13	26	13	0.89	0.15	20.83	5.36
KK-702	306960	7947025	-90	0	31	10	18	8	0.74	0.26	4.52	1.98
KK-703	306980	7947025	-90	0	16	NSR						
KK-704	306600	7947050	-90	0	16	0	7	7	0.85	0.06	14.65	5.26
KK-705	306980	7947250	-90	0	25	0	6	6	0.69	0.04	15.39	4.40
KK-706	307020	7947300	-90	0	19	1	5	4	1.62	0.08	10.11	7.48
KK-707	306980	7947300	-90	0	16	2	8	6	0.91	0.02	10.30	4.38
KK-708	307140	7947450	-90	0	31	11	20	9	0.85	0.16	18.71	3.65
KK-709	306340	7947300	-90	0	28	NSR						
KK-710	306440	7947350	-90	0	16	NSR						
KK-711	306480	7947250	-90	0	10	NSR						
KK-712	306440	7947150	-90	0	10	NSR						
KK-713	306420	7947500	-90	0	13	NSR						
KK-714	306500	7947550	-90	0	16	3	12	9	0.57	0.05	35.77	2.22
KK-715	306460	7947550	-90	0	16	NSR						
KK-716	306920	7947950	-90	0	22	4	15	11	0.57	0.04	14.92	2.22
KK-717	306920	7947850	-90	0	31	NSR						
KK-718	306960	7947850	-90	0	16	NSR						
KK-719	306920	7947750	-90	0	28	NSR						
KK-720	306960	7947750	-90	0	28	3	11	8	0.91	0.09	17.96	1.77
KK-721	307000	7947750	-90	0	22	NSR						
KK-722	307040	7947750	-90	0	37	0	11	11	0.93	0.26	18.91	1.27
and						17	19	2	0.95	0.17	26.95	0.77
KK-723	307080	7947750	-90	0	25	9	12	3	0.74	0.13	24.10	0.61
KK-724	306900	7947700	-90	0	37	NSR						
KK-725	306940	7947700	-90	0	34	NSR						
KK-726	306980	7947700	-90	0	19	NSR						
KK-727	306920	7947650	-90	0	25	NSR						
KK-728	306960	7947650	-90	0	19	NSR						
KK-729	307040	7947650	-90	0	16	NSR						
KK-730	307080	7947650	-90	0	16	NSR						
KK-731	307040	7947600	-90	0	16	NSR						
KK-732	307080	7947600	-90	0	16	NSR						

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-733	307140	7947600	-90	0	37	NSR						
KK-734	307180	7947600	-90	0	43	6	20	14	0.61	0.20	38.06	0.90
KK-735	307120	7947550	-90	0	16	0	3	3	0.70	0.09	16.63	10.07
KK-736	307120	7947520	-90	0	7	6	13	7	0.64	0.07	9.33	2.12
KK-736A	307120	7947520	-90	0	34	5	9	4	0.87	0.08	13.22	3.57
KK-737	307220	7947600	-90	0	37	25	28	3	0.60	0.05	55.20	0.36
KK-738	307240	7947600	-90	0	28	30	33	3	0.25	0.17	12.51	6.80
KK-739	307240	7947650	-90	0	55	39	51	12	0.54	0.10	15.59	2.89
KK-740	307200	7947650	-90	0	43	22	34	12	0.53	0.13	12.52	2.31
KK-741	307160	7947650	-90	0	19	2	13	11	0.81	0.03	12.29	3.67
KK-742	307280	7947700	-90	0	28	16	25	9	0.90	0.29	26.78	4.30
KK-743	307160	7947750	-90	0	49	0	16	16	0.55	0.04	44.84	0.73
and						18	40	22	0.79	0.43	32.97	0.60
and						28	40	12	0.95	0.75	23.66	0.77
KK-744	307200	7947750	-90	0	40	1	30	29	0.73	0.07	48.61	2.26
KK-745	307260	7947750	-90	0	34	11	13	2	0.91	0.43	16.90	3.82
and						21	23	2	0.98	0.03	13.05	9.47
KK-747	305880	7945250	-90	0	28	3	12	9	0.60	0.02	12.86	0.72
KK-748	305840	7945200	-90	0	34	14	19	5	0.77	0.24	32.98	0.50
KK-749	305795	7945200	-90	0	25	NSR						
KK-750	306160	7946150	-90	0	31	10	19	9	0.82	0.40	19.64	0.49
KK-751	306180	7946200	-90	0	22	NSR						
KK-752	306250	7946250	-90	0	37	2	6	4	0.99	0.16	21.95	0.73
and						12	18	6	0.86	0.04	16.52	2.17
KK-753	306250	7946250	-90	0	34	3	5	2	0.44	0.14	11.35	0.57
KK-754	306220	7946250	-90	0	40	NSR						
KK-755	306260	7946250	-90	0	37	NSR						
KK-756	306460	7946250	-90	0	13	NSR						
KK-757	306660	7946510	-90	0	34	14	16	2	0.71	0.18	14.20	2.68
KK-758	306860	7946750	-90	0	31	NSR						
KK-759	306340	7947150	-90	0	19	NSR						
KK-760	306420	7947150	-90	0	34	14	22	8	0.77	0.09	22.31	10.63
KK-761	306280	7947250	-90	0	31	15	25	10	0.65	0.17	32.12	3.72
KK-762	306990	7947050	-90	0	28	NSR						
KK-763	307100	7947350	-90	0	52	NSR						
KK-764	307060	7947300	-90	0	37	NSR						
KK-765	307050	7947250	-90	0	28	NSR						
KK-766	307020	7947200	-90	0	28	NSR						
KK-767	307700	7947160	-90	0	31	1	3	2	0.56	0.39	42.10	0.36
KK-768	306980	7947100	-90	0	28	NSR						
KK-769	306960	7947000	-90	0	31	NSR						
KK-770	306940	7946950	-90	0	31	NSR						
KK-771	307100	7947800	-90	0	43	2	37	35	0.81	0.22	32.60	0.52
KK-772	307280	7947800	-90	0	28	9	17	8	0.92	0.27	48.20	1.02
KK-773	307200	7947850	-90	0	43	2	7	5	0.60	0.04	59.00	0.43

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
and						14	27	13	0.63	0.02	51.30	0.41
KK-774	307280	7947850	-90	0	31	8	10	2	0.34	0.15	15.50	0.28
KK-775	307240	7947950	-90	0	52	6	25	19	0.55	0.02	50.62	0.29
and						25	45	20	0.44	0.22	21.89	0.35
KK-776	307200	7948000	-90	0	52	18	29	11	0.55	0.02	50.62	0.29
and						47	51	4	0.45	0.20	15.42	0.34
KK-777	307160	7948000	-90	0	46	19	24	5	0.65	0.02	49.30	0.10
KK-778	307120	7948000	-90	0	55	23	27	4	0.65	0.08	56.40	0.12
and						46	52	6	0.57	0.20	16.63	1.84
KK-779	307080	7948050	-90	0	55	16	25	9	0.63	0.02	51.86	0.21
and						43	49	6	0.48	0.13	17.28	0.61
KK-780	307040	7948050	-90	0	49	19	28	9	0.82	0.02	54.27	0.23
and						43	46	3	0.63	0.21	17.80	0.44
KK-781	307000	7948050	-90	0	46	NSR						
KK-782	306960	7948050	-90	0	28	NSR						
KK-783	307120	7948100	-90	0	52	17	24	7	0.64	0.02	54.98	0.15
and						32	44	12	0.67	0.27	22.17	0.42
KK-784	307080	7948100	-90	0	52	18	31	13	0.64	0.03	53.79	0.22
and						34	47	13	0.86	0.27	20.27	3.74
KK-785	307120	7948100	-90	0	58	33	39	6	0.41	0.21	19.82	0.38
and						44	46	2	1.47	0.17	21.25	4.54
and						51	58	7	1.14	0.79	20.40	5.75
KK-786	307060	7948150	-90	0	40	9	18	9	0.63	0.05	46.03	0.22
and						31	36	5	0.74	0.06	12.32	6.37
KK-787	307030	7948150	-90	0	37	6	22	16	0.80	0.54	30.20	0.42
KK-788	306990	7948150	-90	0	37	7	10	3	0.67	0.31	17.30	1.87
and						24	32	8	0.66	0.03	11.65	4.14
KK-789	306950	7948150	-90	0	25	2	12	10	0.54	0.09	14.27	1.10
KK-790	306960	7948250	-90	0	22	NSR						
KK-791	306920	7948250	-90	0	10	NSR						
KK-792	306880	7948250	-90	0	13	0	2	2	0.79	0.16	28.95	1.00
KK-793	306840	7948250	-90	0	25	0	19	19	1.15	0.20	25.39	4.45
KK-794	306820	7948250	-90	0	22	NSR		0				
KK-795	306860	7948250	-90	0	19	2	11	9	0.69	0.03	14.80	1.68
KK-796	306800	7948250	-90	0	10	2	6	4	1.41	0.21	18.30	5.89
KK-797	306820	7948300	-90	0	10	NSR						
KK-798	306855	7948300	-90	0	16	5	9	4	1.07	0.10	19.10	5.40
KK-799	306880	7948350	-90	0	22	0	12	12	1.05	0.48	27.40	1.42
KK-800	306875	7948350	-90	0	19	5	13	8	1.38	0.30	23.07	7.54
KK-801	306840	7948350	-90	0	25	13	17	4	0.54	0.18	24.30	0.57
KK-802	306720	7948100	-90	0	13	NSR						
KK-803	307290	7947730	-90	0	19	NSR						
KK-804	307290	7947755	-90	0	19	8	17	9				
KK-805	307405	7948140	-90	0	53	28	53	25	0.61	0.20	40.36	0.56
KK-806	307425	7948140	-90	0	37	23	32	9	0.64	0.14	24.18	1.97

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-807	307380	7948100	-90	0	28	21	23	2	0.69	0.19	36.80	1.31
KK-808	307360	7948150	-90	0	25	17	20	3	0.95	0.11	15.03	2.97
KK-809	307320	7948150	-90	0	19	NSR		0				
KK-810	307200	7948150	-90	0	61	27	47	20	0.54	0.13	28.07	0.34
and						51	55	4	0.65	0.19	29.97	0.46
KK-811	307960	7949400	-90	0	13	NSR						
KK-812	307920	7949350	-90	0	7	NSR						
KK-813	307880	7949300	-90	0	7	NSR						
KK-814	307844	7949250	-90	0	7	NSR						
KK-815	307840	7949200	-90	0	7	NSR						
KK-816	307800	7949150	-90	0	16	NSR						
KK-817	307760	7949100	-90	0	10	0	9	9				
KK-818	307760	7949050	-90	0	16	4	7	3	0.51	0.17	11.97	5.37
KK-819	307760	7949000	-90	0	22	0	3	3	0.72	0.14	8.60	7.60
KK-820	307720	7948950	-90	0	16	3	12	9	0.78	0.10	7.84	5.90
KK-821	307700	7948900	-90	0	10	0	4	4	0.82	0.11	16.84	8.42
KK-822	307720	7948900	-90	0	10	NSR						
KK-823	307680	7948850	-90	0	19	0	7	7				
KK-824	307640	7948850	-90	0	13	0	4	4	0.48	0.14	13.87	2.12
KK-825	307600	7948600	-90	0	22	NSR						
KK-826	307600	7948800	-90	0	16	NSR						
KK-827	307560	7948850	-90	0	31	1	3	2	1.13	0.06	13.20	4.46
KK-828	307620	7948900	-90	0	40	11	30	19				
KK-829	307580	7948900	-90	0	16	4	9	5	0.58	0.07	29.83	3.15
KK-830	307560	7948950	-90	0	10	0	5	5	0.82	0.15	18.43	5.43
KK-831	307540	7949000	-90	0	7	NSR						
KK-832	307600	79486850	-90	0	22	10	13	3	0.60	0.08	29.62	4.18
KK-833	307640	7948950	-90	0	19	10	14	4	0.90	0.14	12.94	3.45
KK-834	307680	7948950	-90	0	16	NSR						
KK-835	307740	7949000	-90	0	31	9	29	20	1.02	0.21	32.06	3.24
KK-836	307680	7949050	-90	0	16	2	6	4	0.96	0.09	15.25	4.36
KK-837	307720	7949050	-90	0	16	9	11	2	0.65	0.20	32.90	0.70
KK-838	307680	7949100	-90	0	16	NSR						
KK-839	307680	7949150	-90	0	31	3	25	22	0.66	0.16	18.21	6.56
inc						19	25	6	0.55	0.45	26.80	2.19
KK-840	307720	7949150	-90	0	25	12	21	9	1.50	0.26	35.32	2.70
KK-841	307760	7949150	-90	0	16	1	8	7				
KK-842	307840	7949300	-90	0	7	NSR						
KK-843	307720	7949250	-90	0	25	6	21	15	0.80	0.22	25.25	3.83
KK-844	307680	7949200	-90	0	7	NSR						
KK-845	307640	7949150	-90	0	25	0	2	2	0.81	0.04	20.15	3.50
KK-846	307600	7949150	-90	0	10	NSR						
KK-847	307600	7949100	-90	0	31	0	12	12	0.94	0.23	17.28	4.09
KK-848	307660	7949250	-90	0	13	NSR						
KK-849	307800	7949250	-90	0	10	0	3	3	0.43	0.09	12.78	2.44

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
KK-850	307800	7949300	-90	0	10	NSR						
KK-851	307840	7949350	-90	0	10	NSR						
KK-852	307880	7949400	-90	0	10	NSR						
KK-853	307920	7949400	-90	0	10	NSR						
KK-854	307400	7948350	-90	0	34	6	16	10	1.13	0.22	26.05	5.71
and						19	26	7	0.68	0.07	26.89	2.92
KK-855	307380	7948350	-90	0	25	0	12	12	0.74	0.36	54.04	0.38
and						15	18	3	0.93	0.12	20.01	3.19
KK-856	307420	7948350	-90	0	13	0	5	5	0.55	0.24	34.76	0.32
KK-857	307440	7948350	-90	0	16	NSR						
KK-858	307480	7948350	-90	0	28	0	17	17				
KK-859	307480	7948300	-90	0	10	NSR						
KK-860	307420	7948270	-90	0	10	0	4	4	1.91	0.31	17.60	2.72
KK-861	307415	7948190	-90	0	31	17	23	6	0.80	0.19	19.33	2.86
and						0	25	25				
KK-862	307450	7948150	-90	0	13	NSR						
KK-863	307240	7948150	-90	0	40	1	6	5	0.72	0.05	47.44	0.46
and						10	19	9	0.36	0.18	14.42	0.23
KK-864	307200	7948100	-90	0	55	17	51	34	0.43	0.19	18.39	0.40
KK-865	307600	7949050	-90	0	19	0	10	10	1.00	0.36	21.64	0.48
KK-866	307800	7949200	-90	0	13	0	6	6	0.61	0.09	21.89	3.78
KK-867	307920	7949400	-90	0	7	NSR						
KK-868	307900	7949360	-90	0	7	NSR						
KK-869	307680	7948900	-90	0	13	NSR						
KK-870	307355	7948800	-90	0	19	NSR						
KK-871	307280	7948750	-90	0	13	4	9	5	0.88	0.09	16.70	4.21
KK-872	307320	7948750	-90	0	22	5	17	12	0.73	0.11	21.43	2.50
KK-873	307300	7948700	-90	0	34	1	12	11	0.87	0.45	39.10	0.49
KK-874	307260	7948700	-90	0	19	0	11	11	1.04	0.10	18.03	5.96
KK-875	307280	7948650	-90	0	25	0	23	23	0.95	0.18	16.46	8.65
KK-876	307240	7948650	-90	0	19	4	14	10	1.15	0.38	27.75	6.33
KK-877	307320	7948650	-90	0	16	0	6	6	1.07	0.13	15.75	5.37
KK-878	307240	7948550	-90	0	16	1	9	8	0.93	0.13	46.12	1.62
KK-879	307280	7948550	-90	0	16	0	9	9	0.98	0.40	50.27	0.69
KK-880	307320	7948550	-90	0	13	NSR						
KK-881	307220	7948500	-90	0	16	0	7	7	0.58	0.11	10.31	2.27
KK-882	307200	7948450	-90	0	19	NSR						
KK-883	307160	7948450	-90	0	25	12	15	3	0.39	0.17	17.73	0.41
KK-884	307120	7948450	-90	0	10	NSR						
KK-885	307120	7948350	-90	0	31	18	27	9	0.51	0.30	19.63	2.10
KK-886	307120	7948300	-90	0	43	19	41	22	0.75	0.24	23.93	0.80
KK-887	307120	7948250	-90	0	31	3	7	4	0.69	0.02	55.42	0.21
and						14	17	3	0.51	0.39	24.07	0.34
and						24	31	7	0.62	0.15	23.70	0.44
KK-888	307160	7948100	-90	0	25	2	11	9	0.67	0.02	48.80	0.24

Kokomo Drill Hole Parameters & Assay Results KK-607 to KK-913 September Quarter (Continued)

Hole No	Easting	Northing	Dip	Azim	Depth	From (m)	To (m)	Intercept (m)	Ni %	Co %	Fe %	Mg %
and						12	18	9	0.57	0.37	19.62	0.32
KK-889	307160	7948150	-90	0	28	0	12	12	0.66	0.02	42.20	0.23
KK-890	307120	7948200	-90	0	19	10	19	9	0.28	0.16	10.00	0.21
KK-891	307080	7948250	-90	0	37	6	35	29	0.90	0.16	16.16	3.31
KK-892	307080	7948300	-90	0	25	4	11	7	0.34	0.14	11.34	0.92
KK-893	307080	7948350	-90	0	22	8	22	14	0.34	0.12	13.05	0.38
KK-894	307080	7948400	-90	0	22	NSR						
KK-895	307070	7948450	-90	0	24	5	9	4	0.79	0.33	43.15	0.36
KK-896	307070	7948500	-90	0	22	7	18	11	0.77	0.17	25.34	5.33
KK-897	307100	7948550	-90	0	10	NSR						
KK-898	307140	7948600	-90	0	13	NSR						
KK-899	307180	7948650	-90	0	10	NSR						
KK-900	307200	7948600	-90	0	28	0	17	17	1.11	0.31	21.7	4.82
KK-901	307280	7948300	-90	0	19	15	17	2	0.72	0.15	26.95	5.80
KK-902	307280	7948050	-90	0	34	9	16	7	0.62	0.02	47.56	0.42
KK-903	307080	7948200	-90	0	31	4	20	16	0.75	0.25	20.71	1.07
KK-904	307040	7948250	-90	0	16	NSR						
KK-905	307040	7948300	-90	0	13	1	8	7	0.51	0.43	10.20	0.50
KK-906	307000	7948350	-90	0	13	0	9	9	0.68	0.19	13.49	1.91
KK-907	306960	7948350	-90	0	7	NSR						
KK-908	306797	7946850	-90	0	34	14	34	20	0.69	0.36	45.53	0.50
KK-909	306814	7946848	-90	0	34	13	21	8	1.12	0.54	24.46	3.36
KK-910	306805	7946861	-90	0	34	10	16	6	1.15	0.45	20.73	2.80
KK-911	306805	7946869	-90	0	34	10	13	3	1.69	0.22	17.50	1.59
KK-912	306806	7946830	-90	0	34	10	15	5	1.23	0.33	9.24	10.20
KK-913	360803	7946828	-90	0	34	13	20	7	1.09	0.45	30.11	3.50

Appendix 5B



Wolfram Camp Mine Site

Appendix 5B

Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity	
Metallica Minerals Limited	
ABN	Quarter ended ("current quarter")
45 076 696 092	September 30, 2009

Consolidated statement of cash flow

	Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	34	34
1.2	Payments for		
	(a) exploration and evaluation	(1,761)	(1,761)
	(b) development		
	(c) production	(46)	(46)
	(d) administration	(657)	(657)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	277	277
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(2,153)	(2,153)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects		
	(b) equity investments-Shares in Salisbury Resources Limited and other shares	(120)	(120)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects		
	(b) equity investments – shares in Cockatoo Coal Limited	-	-
	(c) other fixed assets		
1.10	Loans to other entities – Queensland Gold and Minerals Limited	(50)	(50)
1.11	Loans repaid by other entities – Cape Alumina Limited		
1.12	Other (provide details if material) -IPO costs Metrocoal	(75)	(75)
	Net investing cash flows	(245)	(245)
1.13	Total operating and investing cash flows (carried forward)	(2,398)	(2,398)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,000	1,000
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) Sale of coal subsidiary companies		
	Net financing cash flows	1,000	1,000

	Net financing cash flows (brought forward)	1,000	1,000
	Net increase (decrease) in cash held	(1,398)	(1,398)
1.20	Cash at beginning of quarter/year to date	16,342	16,342
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	14,944	14,944

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	125
1.24	Aggregate amount of loans to the parties included in item 1.10	
1.25	Explanation necessary for an understanding of the transactions	
	The closing consolidated cash balance of \$14,944,000 includes \$860,000 held by a 79% owned subsidiary, Metrocoal Limited.	

Non-cash financing and investing activities

		Current quarter \$A'000
2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	

Financing facilities available

Add notes as necessary for an understanding of the position

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	1,950
4.2	Development	
	Total	1,950

Reconciliation of cash

	Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows	Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	2,314	1,222
5.2	Deposits at call	12,630	15,120
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	14,944	16,342

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note 2)	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	121,740,917	121,740,917		
7.4	Changes during quarter (a) Increases through issues Escrow Release (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	2,000,000 Unlisted Options		Exercise price 50 cents	Expiry date 31 December 2009
		500,000 Unlisted Options		25 cents	31 December 2009
		2,250,000 Unlisted options		80 cents	31 December 2009
		400,000 Unlisted Options		30 cents	31 December 2009
		500,000 Unlisted Options		65 cents	28 September 2012
		500,000 Unlisted options		80 cents	31 December 2010
		600,000 Unlisted options		65 cents	28 September 2010

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: October 30, 2009

(Director/Company secretary)

Print name: JOHN KEVIN HALEY

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Issued and quoted securities The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.



A Queensland focused
multi-commodity
resource company

ASX:MLM

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
Greenvale Operations Pty Ltd ACN 139 136 708
Scandium Pty Ltd ACN 138 608 894