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Metallica raises cash for project

Cape York Weekly, Cape York

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METALLICA Minerals has raised more than \$3 million to continue funding its silica sand project at Cape Flattery.

The placement was completed with support from new institutional investor Deutsche Balaton Group – which purchased shares to the value of \$2 million – as well as Metallica’s largest pre-placement shareholders Ilwella and Dostal Group.

“We are delighted this placement has enabled us to introduce a high-quality institutional shareholder in Deutsche Balaton Group to our register,” Metallica chair Theo Psaros said.

“Combined with additional support from Ilwella and Dostal Group, this represents a significant milestone for the company.

“We had planned to be in a position to attract institutional support as our project progressed, and to secure this support now is testament to the delivery of our strategy.

“This placement has enabled us to strengthen our cash reserves ahead of a big program of activity this year and importantly, the recognition from leading investors provides significant external validation for Metallica’s Cape Flattery silica sand project. “

“I would like to thank all new and existing shareholders for their ongoing support and look forward to providing updates on the progress of our silica sand project at a particularly exciting time for the industry and our company.”

Upon the new funds being received, the company will be well-funded with over \$7 million available to progress its significant

program of activity in the current calendar year including:

- Completing environmental studies and applications to advance the project’s development;

- Finalising the Cape Flattery Silica Sand pre-feasibility study;
- Commencing the project’s definitive feasibility study in Q2, 2022;
- Implementing a more formal silica sand marketing program to procure potential offtake partners for the project.

The Cape Flattery Silica Sand project is located on the east coastline of Cape York, around 40km north of Cooktown.

The project is adjacent to the silica mining and shipping operation owned by Mitsubishi.

The Cape Flattery Port area is owned and operated by Ports North, a Queensland Government-owned corporation.

Ports North is the owner of the jetty leased by Mitsubishi.

The ship-loading equipment on the jetty is primarily owned by Mitsubishi.

Metallica is not the only company looking to start up in the Cape Flattery area.

Diatreme Resources has also expressed a strong interest in the high-grade silica deposit.

If its plans go ahead, Diatreme hopes to supply enough material to create three billion solar panels from the silica at its Galalar site.

The company also has its eye on other deposits in the area.

Diatreme’s initial plans would be to ship 1.3 million tonnes of product per year from Nob Point.



Metallica chairman Theo Psaros.



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After raising another \$3 million from investors, Metallica Minerals now has \$7 million to progress its plans at Cape Flattery.