



Metals Finance Limited

SPECIALISTS IN METAL RECOVERY

ASX RELEASE

Monday 30th December 2013

ASX CODE

MFC

CAPITAL STRUCTURE

Shares on Issue	73,109,576
52 Week High	\$ 0.050
52 Week Low	\$ 0.005
Share Price (27/12/13)	\$ 0.006

ABOUT

Metals Finance develops mineral assets in partnership with exploration and mining companies, rather than purchasing them. MFC applies the extensive experience of its executives, board and consultants on geologically defined resources to establish appropriate treatment processes, to undertake detailed feasibility studies and to promote the development of projects. It is currently working with three ASX-listed partners at Lucky Break in Queensland and Barnes Hill in Tasmania and Homeville in New South Wales.

Board

Chairman – Geoff Hill
Non-Executive Director – Simon Bird
Non-Executive Director – Rick Anthon

Company Secretary

Ian Morgan

Management

Chief Executive Officer – Mark Sykes

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QUARTERLY REPORT FOR THE PERIOD TO 31 DECEMBER 2013

Metals Finance Limited (ASX: MFC) is pleased to provide its Quarterly Activities Report for the three month period ending 31 December 2013.

SUMMARY

The activities over the past quarter have focused solely on corporate activities. Management have continued to implement cost savings measures and have undertaken due diligence on several potential investment initiatives. The activities for the quarter included:

CORPORATE

- **Bass Metals Limited (ASX:BSM) Board Change**
- **Cash Management**
 - Office Relocation
 - Rationalisation of Corporate Roles
 - R&D Tax Refund
- **Project Review**

CORPORATE

Bass Metals Limited (ASX:BSM, Bass)

During the quarter, Metals Finance was successful in requisitioning a shareholders meeting with the objective of changing the composition of the Board of Bass Metals Limited (Bass). The Bass Board now comprises Mr Rick Anthon (a non-executive director of MFC) and Mr Gavin Solomon (the Managing Director of Helmsec Global Capital Limited) and Mr Tony Treasure (non-executive Independent Director).

Metals Finance is confident the Bass Board can rebuild the value of Bass for all Bass shareholders. As a significant shareholder in Bass, Metals Finance and its shareholders will directly benefit from an uplift in the share price of Bass.

Cash Management

Office Relocation

Metals Finance continues to streamline the business while the Company considers alternative investment opportunities. This has resulted in the registered office relocating from Queensland to Sydney, New South Wales. Metals Finance has moved into a shared office arrangement whereby overheads can be reduced while providing the benefits of a fully equipped office.

Rationalisation of Corporate Roles

Metals Finance had in place a co-Company Secretary role that was shared between Mr Ian Morgan and Mr Arno de Vos. With the resignation of Mr de Vos as co-Company Secretary and Chief Financial Officer on the 10th Dec 2013, Mr Ian Morgan takes on all duties as the Company Secretary and will assist in the management of Metals Finance financial matters. Mr de Vos was employed with the company for over 6 years and the Board thanks Mr de Vos for the valuable contributions he made to the Company during this period.

R&D Tax Refund

Metals Finance received a Research and Development (R&D) tax refund of \$240,000 during the quarter. The refund is associated with activities performed by Metals Finance' wholly owned subsidiary Nickel Developments Limited.

The R&D Tax Refund strengthens Metals Finance cash position, with the Company now having greater than \$650,000 in cash in addition to a significant shareholding in Bass Metals. The Company has a cash burn rate of less than \$50,000 per month and is well positioned to secure a new investment and to advance the investment in the short term.

Investment Opportunities

During the quarter, management of Metals Finance reviewed several investment opportunities and conducted the appropriate due diligence as part of an internal investment review process. Metals Finance will keep shareholders informed of potential investments as they develop.

FOR FURTHER INFORMATION CONTACT:

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More details are available on company website www.metalsfinance.com

