



The Manager
Company Announcements Office
Australian Securities Exchange

14 October 2011

Dear Sir/Madam,

PROPOSED DEVELOPMENT AGREEMENT WITH DOW CHEMICAL (Australia)

Resources investment company Metals Finance Limited (ASX code MFC) today announced it has signed a letter of intent (LOI) with Dow Chemical (Australia), relating to the formation of an alliance between the companies to develop mineral processing technologies in specific resource settings. The companies will initially team on MFC's Lucky Break nickel project in Queensland, which will be used as the base for identifying new process improvements which may be applicable to the treatment of nickel laterite projects on a global basis.

The two companies intend to negotiate and finalize a definitive agreement, which will include Dow providing know-how, technical and process engineering support for the use of its Ion Exchange Resin (IER) PLS separations technology at Lucky Break, and which may also cover other lateritic nickel projects that MFC may develop, including the Barnes Hill project in Tasmania.

MFC's managing director Mr Tony Treasure said: "We are proud to team with Dow's innovation and global solutions team for enhanced development of metal recovery processes. This agreement is the first step in developing a long-term, strategic relationship between MFC and Dow which we believe could be very successful for both companies. We have been working closely with Dow for some time now on project feasibility studies including Lucky Break and the Palabora nickel sulphate project in South Africa. We understand the significant cost benefits that can be achieved by using Dow's ion exchange resin (IER) technology compared with other traditional means of metal recovery. The technology is a key component in the novel flow sheet approach being taken by MFC to develop Lucky Break."

MFC has an agreement with Metallica Minerals Ltd, the owner of the Lucky Break tenements west of Townsville. MFC has been undertaking feasibility studies into the development and operation of a mine and processing plant in return for full recovery of its expenditure from project cash flows and 50% of ongoing surpluses. The company has undertaken detailed engineering work, the sourcing of equipment and is looking to secure debt funding. Lucky Break could be in full production within 12 months of receiving go-ahead.

About The Dow Chemical Company

Dow (NYSE: Dow) combines the power of science and technology with the "Human Element" to passionately innovate what is essential to human progress. The Company connects chemistry and innovation with the principles of sustainability to help address many of the world's most challenging problems such as the need for clean water, renewable energy generation and conservation, and increasing agricultural productivity. Dow's diversified industry-leading portfolio of specialty chemical, advanced materials, agrosiences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 160 countries and in high growth sectors such as electronics, water, energy, coatings and agriculture. In 2010, Dow had annual sales of \$53.7 billion and employed approximately 50,000 people worldwide. The Company's more than 5,000 products are manufactured at 188 sites in 35 countries across the globe. References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries. More information about Dow can be found at www.dow.com.

About Metals Finance Limited

Metals Finance develops and operates mineral assets in partnership with other exploration and mining companies, rather than purchasing them. It applies the extensive experience of its executives, board and consultants to establish appropriate treatment processes on geologically defined resources, to undertake detailed feasibility studies and to operate projects. It is currently working with two ASX-listed partners at Lucky Break in Queensland and Barnes Hill in Tasmania. MFC is also seeking new opportunities, and is reviewing the development of gold and nickel projects in South America and Europe.



For further information:

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