



22 January 2010

The Manager  
Company Announcements Office  
Australian Securities Exchange  
By e-lodgement (ASX code: MFC)

Dear Sir/Madam

**RE : JORC RESOURCE FOR CHAMBISHI TAILINGS**

Metals Finance Limited (MFC) is pleased to advise that the Company has received an Independent Geological Report from Snowden Mining Industry Consultants (Pty) Ltd (Snowden) on its Chambishi copper-cobalt tailings project in Zambia. The report confirms the significant metal content of the deposit.

As disclosed in the Company's Annual Report for the period ending 31 August 2009, Metals Finance is in the process of completing a Definitive Feasibility Study (DFS) on the Chambishi copper-cobalt tailings project in Zambia. The project is being investigated under a joint venture agreement with the owners of the dump, Chambishi Metals PLC. The resource under investigation is an above ground tailings dam, the material in which has derived from treatment of copper and cobalt concentrates and other materials through the Chambishi Copper-Cobalt refinery over the past 8 years.

As part of the DFS process the Company completed a detailed drilling programme over the resource during the second half of 2009. The total area of the dump (approximately 30 ha) was drilled on surveyed 50 metre centres; with infill drilling being completed in two areas on 12.5 metre centres, for a total of 120 drill holes. The drilling was conducted by mechanical auger, with all holes being cased over their entire depth to prevent sample loss and/or dilution. Each hole was sampled at one metre intervals and samples submitted to the Alfred H Knight Analytical Laboratory in Kitwe for assay for copper and cobalt. For assay verification purposes, unidentified duplicates of 55 samples were submitted for comparative assay, and the laboratory carried out assay checks on every tenth sample submitted.

All of the material from each one metre drill hole interval was collected, weighed and dried to provide a determination of moisture content and dry bulk density of the tailings.

Detailed analysis of the results of this drilling programme has been carried out and Snowden Mining Consultants (Pty) Ltd were requested to provide independent supervision of the programme and an Independent Geologist Report on the results. The Snowden report has been based on the results of this drilling, and on supervisory visits to the site and the laboratory who conducted the assays. It has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral securities (The Valmin Code) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ores reserves (JORC).

It is Snowden's opinion that the target tailings dam has a Mineral Resource of approximately 1.6 million tonnes at 1.30% copper and 0.21% cobalt. The majority of the Mineral Resource can be classified as Measured (70%) with the balance regarded as Indicated (30%).

The nature of the Chambishi tailings resource is such that, if the project proceeds to development, all of the material resident in the dump will be treated. It has not therefore been appropriate to establish a cut-off grade for copper and cobalt in making this assessment, and therefore all assay data from the holes completed has been used for the purpose of the resource assessment.

The in situ metal content of the resource is as follows:

	<b>Cu (tonnes)</b>	<b>Co (tonnes)</b>
Measured Resource	14,560	2,352
Indicated Resource	6,240	1,008
<b>Total</b>	<b>20,800</b>	<b>3,360</b>

The independent verification of the Chambishi tailings resource is naturally a key factor in the ongoing feasibility study on the project, and the Company is pleased to have received this confirmation from such an internationally reputed group.



**P.A. Treasure**  
Chief Executive Officer

*Information within this announcement which pertains to mineralisation or resources is based on information compiled by Mr Tony Treasure who is a full time employee of Metals Finance Limited and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Treasure has sufficient experience in the fields under consideration 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 and consents to the inclusion of this information in the form and context of which it appears in this report*

