



METALLICA MINERALS LIMITED

Subsidiary Companies

NORNICO Pty Ltd ACN 065 384 045 | Oresome Australia Pty Ltd ACN 071 762 484

Cape Alumina Pty Ltd ACN 107 817 694 | Metrocoal Limited ABN 45 117 763 443 | Phoenix Lime Pty Ltd ACN 096 355 761

ASX Code: MLM

ASX RELEASE

Monday 28 April 2008

LUCKY BREAK NICKEL PROJECT

ACID SUPPLY AGREEMENT

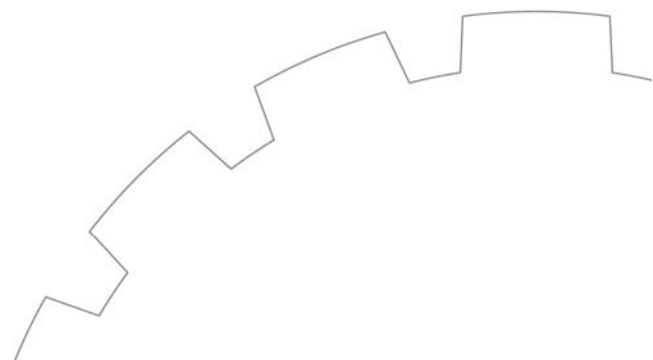
Metallica Minerals Limited is advised by its joint venture partner and manager of the Lucky Break nickel project, Metals Finance Corp (ASX: Code MFC) that MFC is in dispute with Sun Metals Corporation (the operator of an acid plant and zinc refinery in Townsville) in relation to the supply of sulphuric acid to the Lucky Break nickel project.

A copy of MFC's Market release of 24 April 2008 on this matter is attached.

Yours sincerely,

Andrew Gillies

Managing Director





METALS FINANCE CORP

SPECIALISTS IN METAL RECOVERY

24 April 2008

The Manager
Company Announcements Office
Australian Securities Exchange

LUCKY BREAK PROJECT

Prior to the Metals Finance (the Company) ASX listing in December 2007, Metals Finance entered into an agreement with Sun Metals Limited, operator of a zinc smelter, acid plant and refinery in Townsville to secure a four year supply of sulphuric acid for the Lucky Break nickel project. Since then local acid prices have increased significantly and Sun Metals have now indicated to Metals Finance that they wish to change the terms of this agreement. The Company is of the firm opinion that the agreement in place with Sun Metals is enforceable and will take legal action to secure its rights under that agreement if necessary.

At current local spot acid prices the Lucky Break project would not meet the Company's economic targets and would have to be delayed until local acid prices fall to more reasonable levels.

The Company has substantial cash resources available and is expecting recurrent cash flow to commence in May 2008 from the Palabora project in South Africa. The Company will also continue development of other projects that it has under agreement.

P.A. Treasure
Chief Executive Officer

For more information please contact:

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