



## ASX AND MEDIA RELEASE

20 MARCH 2008

# NICKEL SUPPLY AGREEMENT SIGNED FOR LUCKY BREAK NICKEL PROJECT

METALLICA MINERALS LIMITED (ASX : MLM) is pleased to advise that a Nickel Product Supply Agreement has been finalised and executed between MLM with joint venture partner Metals Finance Corp. (ASX : MFC) and the BHP Billiton Yabulu Nickel Refinery.

BHP Billiton has agreed to purchase 100% of the nickel product from MLM's and joint venture partner MFC's Lucky Break Nickel Project for refining at BHP Billiton's Yabulu nickel refinery near Townsville in North Queensland. Under this agreement BHP Billiton will purchase between 1,500 and 1,800 tonnes per year of contained nickel for the life of the operation, based on an agreed percentage of LME price for the metal.

This nickel supply agreement significantly enhances the early development of the Lucky Break nickel project by providing a secure long-term local market for the nickel product from the Lucky Break nickel operation on favourable commercial terms.

Construction of the Lucky Break nickel project (being managed and funded by MFC) has started with commissioning being targeted during late 2008.

Lucky Break is only 140 km distance via sealed road from the Yabulu nickel refinery.

For further information contact

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