

16 February 2012

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(3 pages by email)

Dear Madam,

Homeville Joint Venture Agreement

The Directors of Augur Resources Ltd ('Augur' or 'the Company') wish to advise that it has signed a Joint Venture agreement with Metals Finance Australia Pty Ltd, a subsidiary of Metals Finance Limited (ASX Code: MFC) covering the Homeville nickel and cobalt deposit in central New South Wales.

Details of the Joint Venture Agreement are set out in the Metals Finance Limited ASX release which is attached.

Augur remains focused on exploration and development of advanced gold and copper projects.

For further information, please contact Grant Kensington on +61 2 9300 3310.

Yours sincerely



Grant Kensington
Managing Director

Pjn6523



The Manager
Company Announcements Office
Australian Securities Exchange

16 February 2012

Dear Sir/Madam,

MFC SIGNS JV TO DEVELOP HOMEVILLE NICKEL PROJECT IN NSW

- **Third Australian nickel development signed as MFC builds momentum**
- **Homeville has potential for an early, high-grade mining operation**

Resources investment company Metals Finance Limited (ASX code MFC) has expanded its pipeline of nickel development projects by entering into a joint venture with Augur Resources Limited (AUK) over the Homeville nickel-cobalt laterite project near Nyngan in central New South Wales.

MFC already has two advanced nickel projects, Lucky Break in Queensland and Barnes Hill in Tasmania, and is looking to selectively expand its portfolio of assets in Australia and overseas.

"We have proven expertise at extracting value from projects by using novel technologies when constructing treatment plants," MFC's managing director Mr Tony Treasure said.

Homeville contains an estimated JORC compliant resource of 16.3 million tonnes at 0.93% nickel and 0.05% cobalt (cut-off 0.7% nickel). The mineralisation is at surface in some areas, and has an average depth to the top of the deposit of only 10 metres. Based on a cut-off grade of 0.7% nickel, the resource estimate includes a total of 4.4 million tonnes at 0.99% nickel and 0.06% cobalt as Indicated Resource and 11.9 million tonnes at 0.91% nickel and 0.05% cobalt as Inferred Resource.

MFC's examination of the Homeville drill data base suggests that a discrete portion of the resource is higher grade, and potentially amenable to early development. The detailed modelling that is required to verify this under the terms of the JORC code has yet to be completed.

The general terms of the agreement with Augur are:

- MFC to earn 51% by conducting and funding the completion of a definitive feasibility study.
- If development proceeds, funding will be in accordance with each partner's equity interest, or else either may opt for a 10% net profit interest with no contribution to capital.

Feasibility studies at Homeville will commence in the next quarter and are targeted for completion within 18 months of entering into an agreement with Augur.

About Metals Finance Limited

MFC develops and operates mineral assets in partnership with other exploration and mining companies, rather than purchasing them outright. 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.



P.A. Treasure
Managing Director

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

For further information:

Tony Treasure, Managing Director, Metals Finance 07 3807 4166

Alan Deans, Partner, Last Word Corporate Communications 0427 490 992

Recent ASX Announcements

6 February 2012

BARNES HILL NICKEL PROJECT UPDATE

An update released today by resources investment company Metals Finance Limited of its definitive feasibility study on the Barnes Hill nickel laterite project in Tasmania has significantly strengthened the venture's economic and development potential. It determined there were no major issues in doubling annual throughput to 500,000 tonnes and said the final feasibility study was due in July 2012.

<http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01266002>

14 October 2011

PROPOSED DEVELOPMENT AGREEMENT WITH DOW CHEMICAL (Australia)

Resources investment company Metals Finance Limited announced it had 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 globally.

<http://www.metalsfinance.com/pdf/Dow%20Announcement%20-%2014October%202011.pdf>

