



## Government price support for Metallum's copper deliveries

ASX ANNOUNCEMENT

27 March 2015

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### Highlights

- The Chilean government has announced that ENAMI will provide copper price support for its ore suppliers, including Metallum
- This translates to approximately USD\$25.00 per tonne paid to Metallum, above the spot price, at a grade of 4% copper ore.

Perth-based copper developer **Metallum Ltd (ASX: MNE)** is pleased to announce that Metallum will benefit from the recently announced support for small copper miners in Chile.

The Chilean government has announced that it will provide price support to small miners who deliver ore to ENAMI processing facilities across Chile (<http://www.enami.cl/images/stories/pdf/documento%20vpe%20n%20212.pdf>). ENAMI will purchase material at USD\$0.30 above the spot price when the copper price is below USD\$2.73/lb.

Metallum's Managing Director, Mr Zeff Reeves, said: "The implementation of price support for small miners who deliver ore to the ENAMI plants clearly demonstrates the Chilean government's support of the mining industry and its intent to continue to provide stimulation to the industry to ensure smaller miners remain viable.

"The premium offered by ENAMI under this mechanism equates to approximately USD\$25.00 per tonne paid to Metallum, above the spot price, when the spot price falls below USD\$2.73/lb. This is obviously a great show of support from the Chilean government for small copper producers and clearly demonstrates the government's desire to ensure the long term viability of the copper mining industry in Chile." Mr Reeves added.

### ENAMI PRICING MECHANISM

Under the mechanism, miners will receive up to 30 cents more per pound of copper delivered to ENAMI's processing plants while the copper price remains below \$2.73/lb. This additional payment acts a repayable subsidy and is repaid once copper prices reach higher levels by discounting future sales.

The goal of the pricing mechanism is to smooth the copper price for small miners and assist in maintaining consistent cashflows in the sector, through the course of the copper price cycle. The Chilean government has put this mechanism in place to support the long term sustainability of the mining industry in the country.

Full detail, in Spanish can be downloaded from the ENAMI website at:  
<http://www.enami.cl/images/stories/pdf/documento%20vpe%20n%20212.pdf>

For more information visit the Metallum website at [www.metallum.com.au](http://www.metallum.com.au) or contact:

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#### **About Metallum Limited**

Metallum Limited (ASX: MNE) is an Australian-based company that acquires and develops copper and gold projects around the world with a focus on Chile. The Company has an interest in the highly prospective, high grade El Roble Copper Project in Region III of Chile, targeting IOCG-style copper and gold mineralisation. The Company is focused on achieving growth and shareholder value through the development of near-term, small-scale mining operations at El Roble which will enable self-funded growth into the future. El Roble is ideally located 25km from the port of Caldera and within 80km of two copper toll treatment plants within the world class Atacama IOCG region, which has a history of high-grade copper production. The Company has commenced trucking copper-bearing material from the Panga mine at El Roble for processing at a nearby plant.

Metallum Limited also has an interest in the Comval Copper Project in the Philippines, and its Australian-based project, Teutonic, is prospective for gold and base metals.

Metallum Limited has a strong Board and management team with considerable technical, commercial and corporate experience in the resources sector.

For more information visit the Metallum Limited website at [www.metallum.com.au](http://www.metallum.com.au)