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ASX ANNOUNCEMENT

Underwritten A\$30.4 million Capital Raising

28 April 2011

The Board of Metminco is pleased to announce that the Company has raised A\$ 30.4 (£19.8) million (Placement) as follows:

- A\$7.6 (£5.0) million by issue of 20 million new fully paid shares in the Company (Shares) at an issue price of A\$ 0.38 (£0.247) per Share (Initial Placing); and,
- A\$22.8 (£14.8) million by issue of 60 million Shares at A\$0.38 (£0.247) per Share, subject to shareholder approval at the Company's Annual General Meeting to be held 30 May 2011 (Conditional Placing).

BGF Equities has acted as the lead manager and fully underwritten the Placement, Investec Bank plc has acted as placing agent in the United Kingdom and Asset Chile as placing agent in Chile.

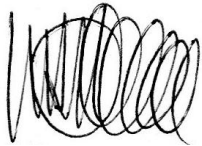
The Placement, which is primarily to institutional investors in Australia, Asia, Chile and the United Kingdom further broadens Metminco's shareholder base and introduces a number of new "cornerstone" investors to the Company.

In separate announcements issued today Metminco has also announced that:

- the Company has signed an agreement with Barrick Gold Corporation (Barrick) whereby Barrick has surrendered its "buy back right" in connection with Metminco's Los Calatos copper-molybdenum project in Southern Peru (Barrick Transaction) for a consideration of approximately A\$29.6 (£19.3) million satisfied by the issue to Barrick of 75 million Shares; and
- the Company has completed the purchase of 50% of SCM Ovalle from MN Ingenieros Limitada (MN) resulting in Metminco now owning 100% of the Mollacas copper leach project, the Vallecillo Au-Zn project and the Loica Cu-Mo deposit for consideration of US\$35 (approximately A\$32.7 or £21.3) million satisfied by US\$10 million paid in cash and the balance through the issue to MN of approximately 70.3 million Shares (MN Transaction).

The Directors believe the Barrick and MN Transactions are both net asset value accretive and significantly strengthen the Company's asset base and enhance long term value for shareholders. Together with the Placement, the Barrick and MN Transactions pave the way for the Company to complete the feasibility study on the Mollacas copper leach project, including further drilling and metallurgical testwork; undertake detailed deep looking geophysical surveys on the Vallecillo, Loica and Camaron projects to assist in defining drill targets and a new drilling program covering the Cu-Au porphyry target recently discovered at Vallecillo; and, enable Metminco to accelerate the drilling campaign currently underway at the Los Calatos Project.

Accordingly the Directors intend to recommend unanimously that Shareholders vote in favour of the resolution that will be proposed at the Annual General Meeting to enable the Conditional Placing to proceed.

A handwritten signature in black ink, appearing to read 'William Howe', with a stylized, scribbled end.

William Howe
Managing Director

About Metminco:

Metminco is a dual ASX and AIM listed company with a portfolio of copper and gold projects in Peru and Chile. The Los Calatos project located in southern Peru has JORC compliant resources of 926 million tonnes, consisting of Indicated Resources of 111 million tonnes at 0.39% Cu and 380ppm Mo and Inferred Resources of 815 million tonnes at 0.37% Cu and 260ppm Mo (at a 0.2% copper cut-off grade).

The Chilean assets include a 100% interest in the Mollacas copper leach project with JORC compliant resources of 17 million tonnes consisting of Indicated Resources of 7.2 million tonnes at 0.56% copper and Inferred Resources of 9.8 million tonnes @ 0.52% copper (at a 0.2% copper cut-off grade); and a 50% interest in the Vallecillo gold zinc project with JORC compliant resources of 10.1 million tonnes consisting of Indicated Resources of 7.9 million tonnes @ 1.14g/tAu; 11.4g/tAg; 1.32% Zn; 0.29% Pb and Inferred Resources of 2.2 million tonnes @ 0.78g/t Au; 8.2g/t Ag; 0.58% Zn; 0.26% Pb (at a cut-off grade of 0.3g/t Au).

* Cut off grade of 0.2% Cu. Copper equivalence (CuEq), in-situ, assumes a ratio of Mo/Cu prices of 5.

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