



**3 August 2010**

### **Amended Appendix 5B**

Effective June 2010 Quarter, the ASX introduced a revised Appendix 5B that requires mining explorers to include an estimate of production and administration cash outflows for the next quarter.

Attached is a revised Appendix 5B for the quarter ended 30 June 2010 amended to include an estimate of cash outflows for the next quarter for production and administration (refer items 4.3 and 4.4).

A handwritten signature in black ink, appearing to read 'Philip Killen', with a long horizontal stroke extending to the left.

**Philip Killen  
Company Secretary  
Metminco Limited**

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Metminco Limited (Consolidated Entity)

ABN

43 119 759 349

Quarter ended ("current quarter")

30 June 2010

### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors		
1.2	Payments for :		
	(a) exploration and evaluation	(1,363)	(1,451)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,525)	(2,609)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	13	51
1.5	Interest and other costs of finance paid	(173)	(173)
1.6	Income taxes paid	-	-
1.7	Other (consulting fees)	(48)	(511)
1.7	Other (takeover costs)	-	(26)
	<b>Net Operating Cash Flows</b>	<b>(3,096)</b>	<b>(4,719)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of		
	(a) prospects	-	-
	(b) purchase of North Hill Holdings Inc	(560)	(560)
	(c) other fixed assets		(1)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	14
1.10	Loans to other entities	-	
1.11	Loans repaid by other entities	-	
1.12	Other – net cash on acquisition of a controlling interest in Hampton Mining Limited (Hampton)	(10,964)	(13,385)
	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>(11,524)</b>	<b>(13,932)</b>
1.13	Total operating and investing cash flows (carried forward)	(14,620)	(18,651)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(14,620)	(18,651)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	11,728	15,056
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from issue of convertible notes	601	4,407
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	32	32
	<b>Net financing cash flows</b>	<b>12,361</b>	<b>19,495</b>
	<b>Net increase (decrease) in cash held</b>	<b>(2,259)</b>	<b>844</b>
1.20	Cash at beginning of quarter/year to date	4,093	990
1.21	Exchange rate adjustments to item 1.20	324	324
1.22	<b>Cash at end of quarter</b>	<b>2,158</b>	<b>2,158</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	Nil
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions J. Fillmore - for Legal Fees \$11,825 The Board resolved to defer payment of directors' fees and services for the June 2010 quarter.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The Company issued fully paid ordinary shares in the Company (Shares) as follows:

- 132,787,500 Shares to Junior Investment Company (JIC) in addition to a cash payment of \$US12 million for the acquisition of JIC's 31% interest in Hampton.
- 7,998,273 Shares to brokers and advisors in settlement of fees and commission associated with the Company's shares being admitted to the AIM market
- 150,000,000 Shares to Highland Holdings Resources Inc in addition to a cash payment of \$US0.5 million as consideration for the acquisition North Hill Holdings Inc.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities (Convertible Notes US\$4.0 million)	4,669	4,669
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	700
4.2 Development	-
4.3 Production	-
4.4 Administration	900
<b>Total</b>	<b>1,600</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,158	4,093
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>2,158</b>	<b>4,093</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Grants Creek P80/1575-P801582 & Angelo E80/2707	Withdrawal from Joint Venture with Pacrim Energy Limited on 16.06.2010		
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference + securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	775,529,275	775,529,275		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	394,581,282	394,581,282		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	36,649,413 (subject to USD/AUD exchange rate and the MNC Share price)		US\$4 million with a coupon rate of 16% pa convertible at the lower of A\$0.12 and 80% of VWAP over the three dealing days prior to conversion notice expiring 31 March 2012.	
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	27,230,017	27,230,017	Exercise price 25 cents	Expiry date 04 Dec 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does /does not\* ([delete one](#)) give a true and fair view of the matters disclosed.



Phil Killen

Sign here:

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(Company secretary)

Date: 30 July 2010

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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