

11 October 2010

## A\$30m Capital Raising to Accelerate Exploration

- Successful placement of 150 million shares at 20¢, raising \$30m before costs
- Strong institutional shareholders introduced to the share register
- Lead Manager BGF Equities
- Settlement subject to shareholder approval at forthcoming AGM
- Priority is now a 50,000m drilling program to;
  - expand the Los Calatos resource, currently 926 Mt at 0.51% CuEq, and
  - test a number of high priority undrilled targets on the Los Calatos licence

Metminco Limited has received commitments for a placement raising A\$30 million at A\$0.20 per share, with BGF Equities acting as the lead manager. The placement, which is subject to shareholder approval, is primarily to institutional investors, significantly broadening Metminco's shareholder base and introduces a number of strong "cornerstone" investors to the Company.

The placement, together with the acquisition of the remaining minority interests in Hampton Mining Limited, announced on 30 September 2010, enables Metminco to focus on an aggressive exploration program to build on the 926 Mt copper/molybdenum resources already defined and to drill test several new high-priority targets on the Los Calatos project.

Funds raised in the placement will also be used to undertake a feasibility study at the Mollacas project, to advance the Vallecillo project and for working capital.

A notice of annual general meeting to Metminco shareholders will be issued shortly to seek shareholder approval for the placement. Shareholder approval will also be sought to issue 160 million shares to Takoradi Limited and 35 million shares to the Sentient Group in accordance with a purchase agreement to acquire Takoradi's 25.4% minority interest in Hampton.

Metminco is delighted to have BGF Equities as lead manager to the placement and its research document is available on the company's website [www.metminco.com.au](http://www.metminco.com.au).

A handwritten signature in black ink, appearing to read 'J Fillmore'.

**John Fillmore**  
Chairman

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### **Metminco background**

Metminco is a dual ASX and AIM listed company with a portfolio of 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 the Mollacas 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, the Vallecillo 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).

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