

## Diamond Drilling Commences at Los Calatos

**Metminco Limited (“Metminco” or the “Company”)** (ASX: MNC; AIM: MNC) is pleased to announce that diamond drilling at the TD2 Target at Los Calatos has commenced.

The TD2 Target is located to the southwest of the main Los Calatos deposit on a ‘structural bend’ of the southernmost bounding fault that constrains the extent of the Los Calatos Porphyry Complex.

Whilst a large percentage of the target is covered by younger volcanic cover, surface mapping has identified the presence of copper oxides within quartz tourmaline breccias over a strike extent in excess of 250 metres. Soil geochemical sampling has identified a well-developed copper anomaly (>300ppm Cu) related to the copper oxides developed within the quartz tourmaline breccia (Annexure 1).

In 2010 a Titan-24 geophysical survey was completed over parts of the Los Calatos Project area. Two of these lines (L10300W and L11100W) traverse the TD2 Target area which have identified sub-surface magnetotelluric anomalies that persist below the main Los Calatos deposit. There is also a ground magnetic anomaly that is coincident with both the Los Calatos deposit and TD2 Target.

Therefore, the TD2 Target shares many similarities with the key features that characterise the presence of mineralisation at the Los Calatos Porphyry Complex, which in turn supports the basis for the drilling.

Mr William Howe, Managing Director, commented: “The drilling of the hydrothermal breccia at TD2 is important, as it has the potential to increase the resource base at Los Calatos, and with it to enhance the economics of any future mine development.

In parallel the process of securing a funding partner is progressing, with a number of interested parties undertaking due diligence, with further site visits planned.”



**William Howe**  
**Managing Director**

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**Company Background**

Metminco is a dual ASX and AIM listed company with a portfolio of copper, molybdenum and gold projects in Peru and Chile.

**Projects and Mineral Resources**

The Los Calatos Project, located in southern Peru, has a total estimated mineral resource of 352 million tonnes at 0.76% Cu and 318 ppm Mo at a cut-off grade of 0.5% Cu, comprising a Measured and Indicated Mineral Resource of 136 million tonnes at 0.73% Cu and 434 ppm Mo, and an Inferred Mineral Resource of 216 million tonnes at 0.78% Cu and 244 ppm Mo.

The Chilean assets include the Mollacas Copper Project with a Mineral Resource of 15.5 million tonnes consisting of a Measured Resource of 11.2 million tonnes at 0.55% Cu and 0.12g/t Au and an Indicated Resource of 4.3 million tonnes at 0.41% Cu and 0.14g/t Au (at a 0.2% copper cut-off); and the Vallecillo Project with a Mineral Resource of 8.9 million tonnes consisting of a Measured Resource of 5.5 million tonnes at 0.84g/t Au, 9.99g/t Ag, 1.12% Zn and 0.32% Pb, an Indicated Resource of 2.6 million tonnes at 0.80g/t Au, 10.2-3g/t Ag, 0.94% Zn and 0.35% Pb and an Inferred Resource of 0.8 million tonnes at 0.50g/t Au, 8.62g/t Ag, 0.48% Zn and 0.17% Pb (at a cut-off grade of 0.2g/t Au).

The Company also has an early stage exploration project in Chile where initial exploration activities have identified anomalous copper, molybdenum and gold values associated with a porphyry system.

**Competent Persons Statement**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Colin Sinclair, BSc, MSc, who is a Member of the Australasian Institute of Mining and Metallurgy and is currently employed by the Company in Chile.

Colin Sinclair has sufficient experience (over 30 years) which is relevant to the style of mineralisation, type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results'. Mr Sinclair, as Competent Person for this announcement, has consented to the inclusion of the information in the form and context in which it appears herein.

**Forward Looking Statement**

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Metminco are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as "anticipate", "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Metminco that could cause Metminco's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Metminco does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

**Annexure 1: Location of drill hole at the TD2 Target.**

