ASX ANNOUNCEMENT 31 July 2016

QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

3 MONTHS TO 30 JUNE 2016

Highlights of the activities for the Quarter ending 30 June 2016 included:

Quinchia Gold Portfolio

- A JORC 2012 Mineral Resource Estimate was released to the market on 7 July 2016. At a 1.2g/t Au cut-off, the Miraflores Project has a Measured and Indicated Mineral Resource of 9.19 million tonnes at 2.81g/t Au and 2.76g/t Ag containing 832,000 oz Au and 817,000 oz Ag.
- The Quinchia Gold Portfolio complements Metminco's (or the "Company") strategy and capabilities providing the Company with a near term cash flow opportunity via the Miraflores Project where a mineable quantity of 4.03 million tonnes at 3.51g/t Au and 2.84g/t Ag has been scheduled containing 455,000 oz of Au and 368,000 oz Ag. The mineable quantity comprises the following:

  > 1.2g/t Au cut-off: 3,825,501 tonnes at 3.66g/t Au and 2.91g/t Ag

  > 0.6g/t and <1.2g/t Au: 203,000 tonnes at 0.85g/t Au and 1.5g/t Ag
- The mining schedule developed has identified a 9-year mine life producing approximately 50,000 oz per annum at steady state. The Company is currently working with consultants to update the capital and operating costs based on the new mining schedule.
- Significant upside potential exists at targets such as Tesorito, where a large gold porphyry system has been identified with drill hole TS-DH-02 returning an intercept of 384 metres @ 1.01 g/t gold, 0.9 g/t silver and 0.08% copper from surface.

Los Calatos Copper-Molybdenum Project

- During the quarter the Company entered into a binding term sheet with CD Capital Natural Resources Fund III LP ("CD Capital') to subscribe for new shares of up to US$45 million in Los Calatos Holding Ltd to fund through completion of Pre-feasibility and Feasibility studies ("CD Capital Transaction").
- The Board of Metminco welcomes the confidence of CD Capital in Los Calatos Project.

Mollacas

- During the quarter the Company and the landowner at the Mollacas project settled and terminated all outstanding claims in relation to the access dispute. The Company is assessing all development options available to it in relation to this project and its Chilean asset portfolio.

Corporate

- Documentation of the CD Capital Transaction is close to finalisation with the first tranche of US$16 million anticipated to be received during August 2016.
- The Company also completed acquisition of Miraflores Compania Minera SAS ("Miraflores Minera"), formerly Minera Seafield SAS, owner of the Quinchia Gold Portfolio.
- The Company's cash position as at 30 June 2016 was approximately A$0.6 million. Now that funding for the Los Clatatos Project is secured the Company is evaluating funding alternatives to progress the Miraflores Project through to completion of a Bankable Feasibility Study.

MIRAFLORES GOLD PROJECT – COLOMBIA

Introduction

The Miraflores Gold Project is part of the Quinchia Gold Portfolio acquired and is located in Colombia's Middle Cauca Belt, which hosts several multimillion ounce gold discoveries (Annexure 1). The Middle Cauca Belt is a north-south geological trend that takes its name from the Cauca River that runs through it, and represents the area of focus where explorers are looking to make new porphyry gold and gold-copper discoveries.

The district extends roughly from Ibague in Tolima at the southern extremity to Medellin at its northern extremity, and it has resulted in a number of significant greenfield and brownfield discoveries. These discoveries have made the belt the most prolific in Colombia in terms of discovered ounces to date and remains highly prospective for additional discoveries.

Geology

The Miraflores deposit comprises a magmatic-hydrothermal breccia pipe located within a fertile hypabyssal porphyry cluster breccia-pipe. The breccia pipe is sub-vertical and cylindrical with surface dimensions of 250m x 280m with a known vertical extent of 500m to 600m, but open at depth, with clear contacts with the adjacent basalts of the Barroso Formation. A NNW – SSE fracturing system appears to control the formation of the breccia.

Four types of breccia have been distinguished, namely a Red Breccia, a Green Breccia, a Grey Breccia and a White Breccia. The contacts between the different types of breccias are gradational or transitional. The White Breccia occurs in irregular, elongated vertical zones or pockets, surrounded by Green or Grey breccia's, and is interpreted to have formed later than the other breccias. Furthermore, hydrothermal fluid appears to have washed out the rock flour matrix within the White Breccia, or replaced it, with deposition of gangue and sulfide minerals. Of the four breccia types, the Red Breccia contains the highest gold grades with grades of up to 429g/t gold in the vicinity of fault / vein zones.

Steeply-dipping, high-grade veins are present, which represent the youngest mineralizing event at Miraflores. Three groups of veins have been identified based on strike direction, namely Group 100 comprising 3 veins with an average strike/dip of 293°/-87°; Group 200 comprising 5 veins with an average strike/dip of 308°/-82°; and Group 800 comprising 13 veins with an average strike/dip of 340°/-82°. Of these veins, Group 100 is the oldest, and the Group 800 is the youngest.

The main mineralization trends of the high-grade veins vary in strike from 325° to 10° and 280° to 60°, and vary in dip from being vertical to dipping 70°E. The veins are defined by a narrow mineralized core (10cm to 60cm) and a wider mineralized halo (1m to 5m). The narrow core consists of increased amounts of sphalerite, galena, pyrite, chalcopyrite, and fine clay. The wider mineralized halo is defined by weak to moderate mineralization along the margins of breccia fragments. The intensity and width of the mineralized halo is controlled by the porosity and permeability of the wall rock. Assay values as high as 429g/t Au have been reported for the veins, with numerous sample values ranging from 10g/t Au to grades exceeding 100g/t Au.

The younger sub-vertical, northeast dipping veins, that cross-cut the breccia are characterized by the development of argillized material that contains large quantities of pyrite, chalcopyrite, sphalerite and galena, with occasional visible gold. The sulfides are present as coarse particles ranging from 100 to 200µm (occasionally greater than 200µm). The lateral continuity of the NNW-SSE structures is important, and is clearly recognized in prior exploitation workings, where high gold grade mineralization can be followed over a strike length in excess of 150 metres (and more than 80 metres in height), with limited displacement by younger structures. Intersection points of cross-cutting structures (veins) form high gold grade 'shoots' of variable dimensions, which can be observed in the underground workings.

Mineral Resource Estimate

General

Three diamond drilling programs have been carried out at Miraflores over the period 2006 to 2013 consisting of 73 drill holes totalling 25,884m.

- Kedahda (4 drill holes totalling 1,415m)

- B2Gold (6 drill holes totalling 2,210m)
- Minera Seafield (63 drill holes totalling 22,259m)

The modelling of the Miraflores deposit has been undertaken using Vulcan™ and Leapfrog™ Software. All of the exploration sampling has been used in the geological modelling process. The drill hole database was de-surveyed, transformed and validated in the Vulcan™ software, which was then used for the modelling of the mineral resource.

The statistics have been completed using a combination of Vulcan™, Microsoft Excel™ and Sage™ 2001. Geostatistics have been completed in Vulcan™ and Sage™ 2001 and grade interpolation has been undertaken in Vulcan™. Compilation of the final model was undertaken in Vulcan™. Vulcan™ software is similar to other mining software systems and relies on a block modelling approach to represent deposit as a series of 3-D blocks to which grade attributes, and virtually any other attributes can be assigned. The software provides numerous means by which attributes can be assigned, and optimization routines are provided that allow block splitting, such that complex deposit outline details are not lost or smoothed out by regular size blocks.

Drill hole assays for Miraflores were composited using 2m down the hole composite lengths. A total of 13,194 two-metre composites were constructed, starting at the collar of the drill hole. Composite intervals less than 0.75m in length were merged with 2m composites however; some composites less than 2m do exist, as the composites were constrained by geological boundaries.

Basic statistics were compiled for both gold and silver grades in each mineralized lithology and all 21 veins developed within the Miraflores deposit. Capping statistics were determined using histogram and log probability plots of all gold composites in the breccia. A capping value of 45g/t was determined for the breccia, whereas it varied from 0 to 17g/t for the veins. Silver grades were not capped as the silver grades at Miraflores are very low.

Block Model

The resource model for Miraflores was constructed with Vulcan™ software using a block model. All of the required information about the deposit is stored in each individual block. This includes estimated characteristics of gold and silver and statistical characteristics such as number of samples used in an estimate, distances to the nearest sample and the number of drill holes used. Geological triangulations were also used to identify the rock type of each block, and these structures also controlled the sub-blocking in Vulcan™ along their boundaries. Geological codes stored in the block model were also used to assign the density within specific geological boundaries.

Grade Estimation

The Inverse Distanced cubed (ID3) grade estimation methodology was used to estimate gold and silver grades. For the breccia, basalt and saprolite, the variography was modelled to determine appropriate search ellipsoid orientation and search distances, whereas for the 21 veins, the search orientation varied depending on the orientation of the vein.

Density

A total of 2,100 specific gravity measurements were used to define the density of each lithological block in the model.

Mineral Resource Estimate

As of 02 April, 2013, Metal Mining Consultants (based in Denver, USA) (“MMC”) estimated a Measured and Indicated Mineral Resource for the Miraflores gold deposit of 72.6Mt at a gold and silver grade of 0.78g/t and 1.52g/t respectively using a cut-off grade of 0.27 g/t gold. The mineral resource, which was based on 25,884 m of drilling in 73 diamond drill holes and 236 metres of underground channel samples, was reported in accordance with NI 43-101. The mineral resource estimate provided for both an open pit and an underground mining operation.

On 21 July 2016 the Company announced that it had received an updated mineral resource estimate for Miraflores that had been prepared by MMC in accordance with the guidelines of the JORC Code (2012 Edition) for an underground only mining operation. This mineral resource estimate replaces the previous NI 43-101 statement that was released to the market on 7 March 2016. The updated mineral resource estimate is summarized in Tables 1 and 2 below.

Table 1: Mineral Resource Estimate – Miraflores Gold Project (MMC July 2016).

Classification	Tonnes (000's)	Au (g/t)	Ag (g/t)	Oz Au (000's)	Oz Ag (000's)
Measured	2,948	2.98	2.50	282	237
Indicated	6,245	2.74	2.89	549	580
Measured &Indicated	**9,193**	**2.81**	**2.76**	**832**	**817**
Inferred	180	1.44	5.49	8	32

Note:

i) Based on a gold cut-off grade of 1.2g/t.

ii) Rounding-off of numbers may result in minor computational errors, which are not deemed to be significant.

iii) Table 1 requirement in support of the JORC Code (2012 Edition) released by Metminco on 21 July 2016.

Table 2: Sensitivity of Mineral Resource to varying gold cut-off grades.

Measured and Indicated Mineral Resource (Breccia and Veins)					
Cut-off (Au g/t)	K Tonnes	Au (g/t)	Au (Koz)	Ag (g/t)	Ag (Koz)
0.60	23,455	1.61	1,211	2.13	1,606
0.70	18,983	1.83	1,114	2.27	1,383
0.80	15,868	2.04	1,041	2.39	1,222
0.90	13,571	2.24	978	2.52	1,098
1.00	11,761	2.44	923	2.62	991
1.10	10,361	2.63	875	2.71	903
1.20	**9,193**	**2.81**	**832**	**2.76**	**817**
1.30	8,342	2.97	797	2.83	759
1.40	7,614	3.14	767	2.89	708
1.50	6,966	3.29	737	2.96	663

Inferred Mineral Resource (Breccia only)					
Cut-off (Au g/t)	K Tonnes	Au (g/t)	Au (Koz)	Ag (g/t)	Ag (Koz)
0.60	1,461	0.77	36	3.45	162
0.70	342	1.14	13	3.79	42
0.80	260	1.27	11	4.25	36
0.90	212	1.37	9	4.97	34
1.00	182	1.43	8	5.45	32
1.10	181	1.44	8	5.47	32
1.20	**180**	**1.44**	**8**	**5.49**	**32**
1.30	178	1.44	8	5.53	32
1.40	77	1.54	4	2.59	6
1.50	35	1.67	2	0.93	1

Mine design and production schedule

The Company engaged the services of SRK Consulting (U.S.) Inc. (SRK) to complete a Gap Analysis of the work completed on the Project to-date (in terms of the requirements to complete a Feasibility Study [Refer Annexure 2]), as well as to develop a revised (indicative) mine plan and schedule for an underground only mining scenario.

The objective of the revised mine plan was to provide the Company with an underground only mining scenario, which effectively translates to adding the material, previously planned to be mined as open pit, into the underground mine plan. The mine plan furthermore assumes the use of a paste backfill as opposed to waste backfill. The basis for the work conducted by SRK is the resource model developed by MMC in 2013, using only Measured and Indicated Mineral Resources. Where appropriate, the previous mine design developed in support of a Technical Report completed by SRK for RMB Resources ("RMB") in 2015 was used (SRK Technical Report, dated February 24, 2015).

Cut-off Grade Calculation

The cut-off grade assumptions remain unchanged from the RMB work, with the cut-off grade calculation summarized in Table 3.

Table 3: Underground Cut-off Grade Calculation.

Parameter	Unit	Amount
Mining cost	US$/t	32.00
Process and tailings cost	US$/t	15.60
G&A	US$/t	3.90
Total Cost	**US$/t**	**$51.50**
Gold price	US$/oz	1,200.00
Ave Au mill recovery	%	91
Smelting & Refining	US$/t	3.00
Transportation & Insurance	US$/t	1.00
Royalty	% of NSR	3.2%
Cut-off grade	g/t	1.52

Source: SRK

At the time of the RMB work, the model was evaluated at various cut-off grades. It was determined that a mining cut-off of 2.2 g/t was optimal with the addition of 2.0 g/t stope areas which are immediately adjacent to the 2.2 g/t areas and require limited additional development. A similar approach was used to determine economic underground stopes in the areas which were previously planned to be mined as open pit.

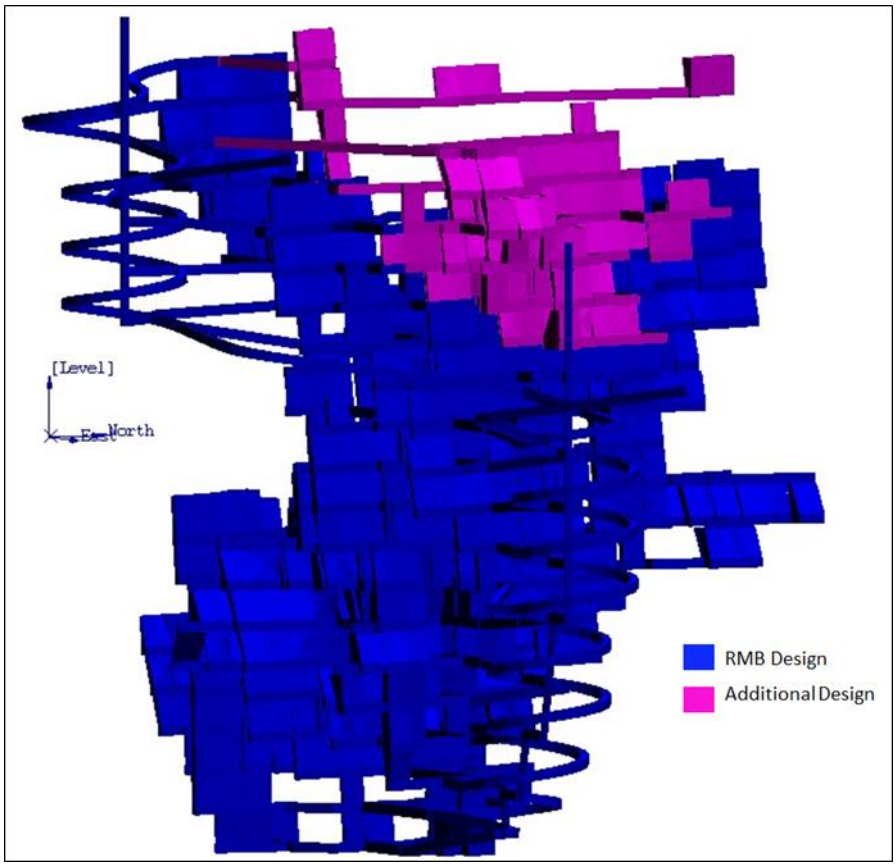
Mine Design

The stope optimization shapes were used as a basis for the mine design. These optimized stope shapes were viewed on screen and those that were low grade, geographically isolated, or otherwise sub-economic when considering development costs, were eliminated from the design. Typically, a crown pillar of 25 m or greater is used; however, there is one instance where an up-stope is mined to within 5 m of the surface.

Main development ramps are in the same locations as the prior RMB work. The opportunity exists to change the layout and modify the portal locations since the open pit no longer limits portal locations and since it is likely that surface infrastructure locations (e.g. stockpiles) may also change.

The updated mine design is shown in Figure 1 below, with blue shapes being the same as the RMB design and pink showing the new (additional) mining areas. With the additional tonnage on upper levels, the ventilation layout/concept needs to be re-evaluated.

Figure 1: Mine Design.



In addition to the completed mine design, dilution and recovery as shown below in Table 4 have been included.

Table 4: Mine Design Dilution and Recovery.

	Additional Development Allowance	Unplanned Dilution	Mining Recovery
4 m x 5 m Drifts	10%	0%	100%
3 m x 5 m Drifts	5%	0%	100%
Stopes*	0%	3%	95%

Source: SRK

*Stopes already include 0.25 m of dilution on each side of the stope wall (0.5 m total/stope) included in the stope optimization shape (~10% planned dilution). This planned dilution is included in the 3-D shape and received grade information based on the block model.

The underground mine design process resulted in a mineable quantity for the >1.2g/t Au mineralized tonnes of 3.82 Mt grading 3.66 g/t Au and 2.91 g/t Ag. Total waste/low grade development tonnage in the mine plan is 559 kt. Additional detail summarizing the material in the mine plan in summarized in Table 5 below.

Table 5: Underground Only Mine Plan Summary.

Description	Unit	Amount
Total tonnes	(t)	4,383,762
Waste Tonnes (Au < 0.6g/t)	(t)	355,923
Waste/stockpile tonnes (Au 0.60-1.2g/t)	(t)	203,412
Mineralized tonnes (Au > 1.2g/t)	(t)	3,824,428
Mineralization Au	(g/t)	3.66
Contained Au oz	(oz)	449,535
Mineralization Ag	(g/t)	2.91
Contained Ag oz	(oz)	358,054
0.60 to 0.80 tonnes	(t)	97,648
0.60 to 0.80 Au	(g/t)	0.70
0.60 to 0.80 Ag	(g/t)	1.38
0.80 to 1.0 tonnes	(t)	59,260
0.80 to 1.0 Au	(g/t)	0.89
0.80 to 1.0 Ag	(g/t)	1.67
1.0 to 1.2 tonnes	(t)	46,504
1.0 to 1.2 Au	(g/t)	1.10
1.0 to 1.2 Ag	(g/t)	1.82

Source: SRK

A breakdown by rock type of the mineralized tonnes >1.2g/t Au is shown in Table 6 below.

Table 6: Mine Design Tonnages/Grade by rock type.

Rock Type	Tonnes	Au (g/t)	Ag (g/t)
White breccia	2,314,856	3.84	2.92
Green breccia	992,340	3.48	3.05
Grey breccia	160,076	4.16	2.91
Basalt	304,547	2.71	2.32
Diorite	10,127	3.82	3.77
Red breccia	24,554	3.14	3.60
Dacite	-	-	-
Andesite	17,184	2.34	3.12
Saprolite	743	2.18	1.65
Total	**3,824,428**	**3.66**	**2.91**

Source: SRK

Production Schedule

The production schedule is based on the rate assumptions shown in Table 7 below. These are the same as used for the RMB work. The backfilling rate has however not been updated from the previous waste rock backfill rate. It is assumed that a paste system would provide similar rates.

Table 7: Mining Rates*.

Current design update	Metres/day	Tonnes/day
4 x 5m development	6.45	355
3 x 5m sill development with slashing	4.8 - 7.4	195-303
Stoping		900
Backfill		900
Raises	3.9	

Source: SRK

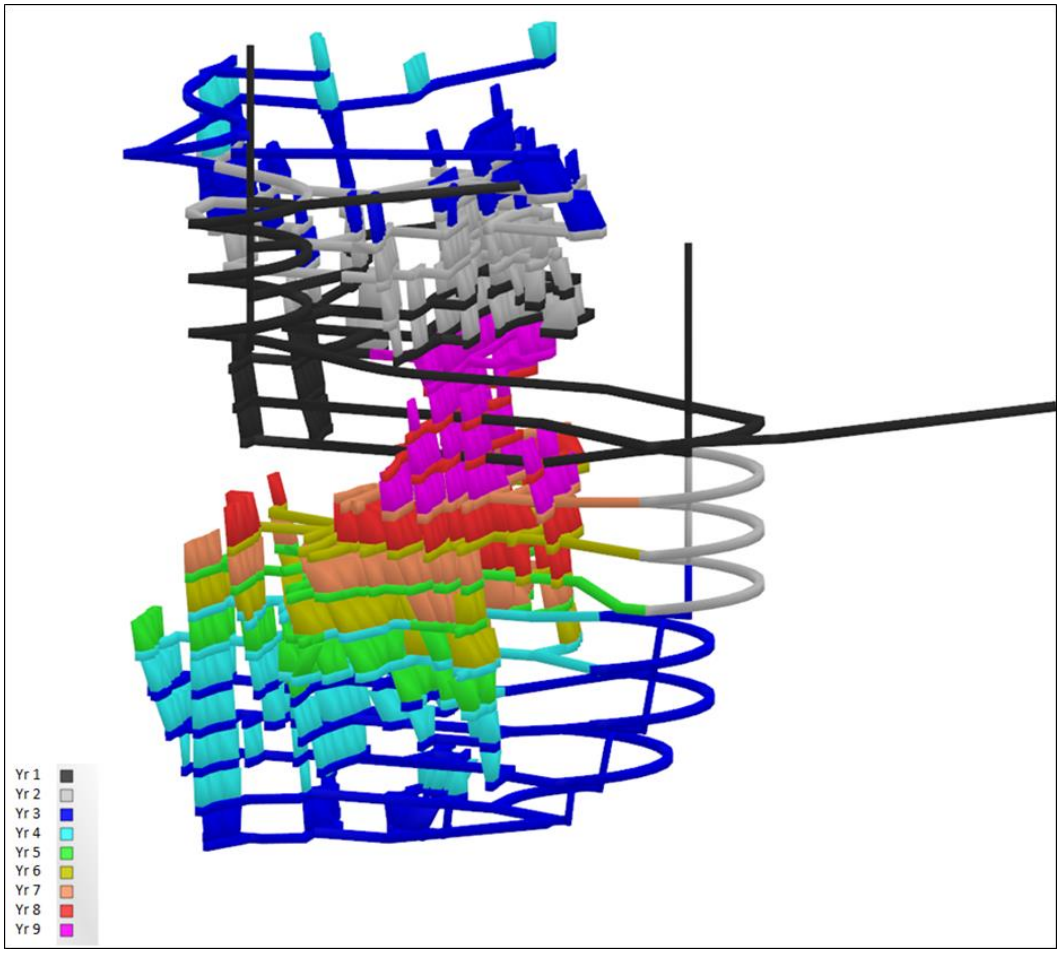
*All rates are per face. Multiple areas/faces are mined together to generate the production schedule.

The mining schedule is based on 365 days/year, 7 days/week, with 2 shifts of 12 hrs each day. A production rate of approximately 1,300 t/d, or approximately 50,000 oz. of Au per year, was targeted from the underground. The yearly production schedule was generated using iGantt software and is summarized in Annexure 3.

The schedule shows rock backfill and cemented backfill as consistent with what was used in the RMB work, albeit that the nomenclature presented here is to show the volume that requires a higher strength paste (cemented fill) versus lower strength paste (rock fill). The assumed rate of backfill placement for paste needs to be developed and checked in future work. Backfill is sequenced in the schedule; however, multiple backfill activities occur at once if required by the schedule. Backfill is an integral part of the mining cycle and any delays would affect the schedule. Currently, the scheduled backfill requirements in Year 2 are quite large. Some of this could likely be moved into Year 3; however, it would take more detailed scheduling. Overall there are multiple faces/stopes available and typically only a single stope is mined at once.

The production schedule is shown graphically in Figure 2 below, colored by mining period.

Figure 2: Mine Production Schedule, colored by year (rotated view, looking northward).



Source: SRK

Conclusions

Following the completion of the mine planning work, SRK concluded the following:

- All mine planning work is based on the 2013 MMC resource model. Additional geology review was completed by SRK (Miraflores Resource Report, dated July 19, 2016), however, this information was not used.
- Including the material previously planned to be mined as open pit material in the underground mine plan adds approximately 370 kt at a grade of 3.84 g/t Au and 4.29 g/t Ag.
- To produce approximately 50,000 oz Au per year the plant would need to have a capacity of approximately 1,300 t/d.
- To achieve 1,300 t/d from the underground mine, considerably more development needs to be completed upfront. The productivities used and development required show approximately three development crews in the first few years of production. This is currently not optimized in the production schedule and should be re-evaluated with potential changes to the development design at the next level of study.
- The schedule reporting shows rock backfill and cemented backfill as that is what was assumed previously. The updated concept is to utilize a paste backfill system. The assumed rate of backfill placement for paste needs to be developed and checked. The strength characteristics and cure time will be critical elements of future work. Backfill is sequenced in the schedule; however, multiple backfill activities occur at once if required by the schedule. Backfill is an integral part of the mining cycle and any delays would affect the schedule. Currently the scheduled backfill requirements in Year 2 are quite

large. Some of this could likely be moved into Year 3; however, it would take more detailed scheduling. Overall there are multiple faces/stopes available and typically only a single stope is mined at once.

- The plan generates low grade stockpiles of material that has to be mined and removed in the development activity in the current plan. This material would likely be fed through the mill at the end of the underground mine life.
- The development drifting should be re-sequenced and optimized in future studies. With the addition of more tonnage on the upper levels of the deposit the ventilation plan should be re-evaluated.
- Productivities used for the rescheduling are identical to those used in the RMB work and should be revisited in future optimizations.
- No updated costing or revision of the productivities has been conducted as this scope of work but should be completed if future planning occurs.

SRK notes that at this time it has not conducted work on tailings, milling, backfill, environmental or updated the costing of any of the past or existing models. The SRK scope of work reported herein only includes an updated mine plan and associated production schedule.

Way Forward

The Company is working with SRK to update the operating and capital costs of the 2015 Technical Study with a view to understanding the potential capital cost savings identified by the Company in relation to the underground only mining option.

LOS CALATOS PROJECT - PERU

During the June 2016 Quarter, the Company has focussed solely on the completion of the agreement with CD Capital with respect to their equity funding of the Los Calatos feasibility study.

MOLLACAS PROJECT - CHILE

The Company holds title to 21 Exploitation Concessions covering the Mollacas deposit and surrounding area, and owns 179 ha of land adjacent to the proposed open pit operation.

In addition, Metminco also owns water rights to approximately 175 litres/sec from two canals, albeit that the estimated water usage for the mining operation will only be 40 litres/sec.

CORPORATE

Placement

In early April 2016 a placement of 250,000,000 new fully paid ordinary shares (“Shares”) was completed by SP Angel and RFC Ambrian at a issue price of A$0.004 (£0.002) to raise approximately A$1.0 (£0.5) million.

Rights Issue Options Expiring 15 May 2016

During the quarter the Company also received notices of exercise of 9,420,587 Rights Issue Options granted in 2015 at an issue price of A$0.005 (£0.0026) per Share, prior to expiry, raising a total of A$47,103. Of the Rights Issue Options granted in 2015, 54,654,492 were exercised raising A$273,272. The remaining 510,977,194 Rights Issue Options lapsed on 15 May 2016.

SPP Offer

The Company raised approximately A$0.9 million before costs from a Share Purchase Plan Offer (“SPP Offer”) to shareholders with a registered address in Australia, United Kingdom or New Zealand to purchase up to a maximum of $15,000 (or £7,875) of Shares in the Company at an issue price of A$0.004 (£0.0021) per Share. The SPP Offer closed 29 April 2016 raising approximately A$0.6 million before costs by the issue of

151,785,724 fully paid ordinary shares in the Company ("New Shares"). Under the shortfall provisions of the SPP Offer an additional 82,750,000 New Shares were placed raising a further approximately A$0.3 million before costs.

Acquisition of Miraflores Compania Minera SAS (formerly Minera Seafield SAS)

The Company completed the acquisition of Miraflores Minera from RMB late June 2016 by the issue of 350 million Shares (at a deemed price of A$0.5 cents per Share) and reimbursement of approximately A$165,000 in Miraflores Minera's operating costs from date of signing the binding term sheet to 30 April 2016. A further payment of approximately A$250,000 is payable for the period from 1 May 2016 to 20 June 2016 (date of settlement) once the reconciliation of Miraflores Minera's expenditure is completed. RMB was issued 50 million shares in March 2016 in respect of an exclusivity fee. Miraflores Minera is the owner of the Quinchia Gold Portfolio more fully described above.

As a result of the issue of the 350,000,000 Shares, RMB became a substantial shareholder of Metminco, holding 400,000,000 Shares, equivalent to 10.3% of the Company.

Under the purchase agreement, Metminco will make cash payments to RMB as follows:

(i) Initial payment of A$1.0 million on 20 June 2017;

(ii) Second payment of A$1.0 million on 20 June 2018;

(iii) Third payment of A$3.0 million on the earlier of (a) a decision to mine at the Quinchia Gold Portfolio; and (b) on 20 June 2019;

(iv) Fourth payment of A$2.0 million on the earlier of (a) a decision to mine at the Quinchia Gold Portfolio; and (b) 20 June 2020; and

(v) A maximum of A$7million in royalty payments to RMB from operating cashflows.

The timing of consideration for the acquisition, which is in total approximately A$16.5 million with minimal payable upfront, is structured to allow Metminco to focus on the development of Miraflores and the drilling of Tesorito.

Shares Issued in lieu of fees

A total of 7,662,759 Shares were issued to LinQ Corporate Pty Ltd in settlement of corporate consulting fees.

Los Calatos Funded

In June 2016 the Company entered into a binding term sheet with CD Capital whereby CD Capital committed an equity investment of up to US$45 million in relation to the Los Calatos Project. The equity contribution will be applied in 3 tranches over the next 3 – 4 years to complete the planned Pre-feasibility and Feasibility Studies on the Los Calatos Project.

CD Capital will subscribe for US$16 million worth of new shares in Los Calatos Holding Ltd equivalent to 51% of the company ("Tranche 1"). Under the subscription agreement CD Capital will have the option to subscribe for additional shares in the company over two additional Tranches of US$ 14.5 million each, which subject to being exercised in full would increase CD Capital ownership of Los Calatos Limited to 65% after Tranche 2 and 70% after Tranche 3.

It is anticipated that Los Calatos Limited will receive Tranche 1 equity funds in August 2016 following execution of the Equity Investment Agreement and completion of the conditions precedent. Once the conditions precedent to the investment have been completed (which include reorganisation of the Metminco interests in the Los Calatos Project into Los Calatos Holding Ltd, and other steps generally undertaken to complete an investment of this nature). The Equity Investment Agreement is close to finalisation and full details of the agreement are expected to be announced shortly.

The Company's Strategy

The focus of the Company is now two-fold, firstly, in Colombia to optimise the economics of the prior (incomplete) Feasibility Study on the Miraflores Project, which forms part of the Quinchia Gold Portfolio and the recently completed acquisition of Miraflores Minera. The Miraflores Project represents a near term gold development opportunity for Metminco, whereas the wider Quinchia Gold Portfolio provides for substantial upside potential that includes the significant gold porphyry system target of Tesorito. Secondly, in Peru the Company and CD Capital will work together to progress of the Los Calatos Project through completion of Pre-feasibility and Feasibility studies.

Cash Position and Funding

As at 30 June 2016 Metminco had cash reserves of A$0.6 million.

Expenditure for the quarter was focussed on preparatory work for the planned Miraflores Feasibility Study including an updated JORC 2012 mineral resource, analysis of development options, a gap analysis on the requirements to complete a Feasibility Study and the preparation of a preliminary mine plan and schedule..

The Company also incurred care and maintenance costs fees on its other projects (Los Calatos, Mollacas, Vallecillo and Loica) including annual licence; legal costs in relation to the acquisition of Miraflores Minera and the equity investment by CD Capital in the Los Calatos Project; reimbursement of costs to RMB on settlement as set out above; and costs associated with corporate governance, compliance, and maintenance of ASX and AIM listings.

Now that funding for the Los Calatos Project is secured the Company is currently evaluating funding alternatives to progress the Miraflores Project through to completion of the Feasibility Study.

Annual General Meeting

The Annual General Meeting of shareholders for the year ended 31 December 2015 was held on 17 May 2016. All resolutions put before the meeting were approved by shareholders.

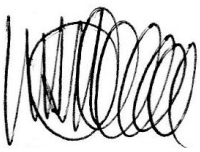
Board Changes

Tim Read, who has held office as a Director of Metminco Limited since 1 April 2010 and as Chairman since 16 March 2011 tendered his resignation from the Company's Board of Directors effective from 27 July 2016.

Mr Read has elected to scale back his business commitments and with that reduce his directorship roles. The Board expresses its gratitude to Mr Read for his outstanding service as a Director and Chairman and wishes him all the best.

Dr Phillip Wing, who was appointed to the Board of Metminco on 17 July 2009, replaces Mr Read as Chairman. Dr Wing is a highly experienced company director and businessman. He has been a non-executive director and chairman of a number of companies in various sectors including resources, technology and venture capital.

The Board has elected not to appoint a replacement director at this time.



William Howe

Managing Director

For further information, please contact:

METMINCO LIMITED

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SRK Consulting (U.S.) Inc.

The information provided in this ASX Release as it relates to mining plan and production schedule for the Miraflores Gold Project is based on information compiled by Mr Jeff Osborn BEng Mining, MMSAQP, on behalf of SRK. Mr Osborn has consented to be named in this announcement and inclusion of information attributed to him in the form and context in which it appears herein.

SRK have given their consent to be named in this Announcement and to the inclusion of all statements by SRK included in said Announcement that Metminco says are based on a statement by us, in the form and context in which these statements are included.

This consent relates to the Announcement of Metminco in Australia and the United Kingdom in both paper and electronic form.

Apart from as set out above, SRK takes no responsibility for any other part of the aforementioned Announcement.

Forward Looking Statement

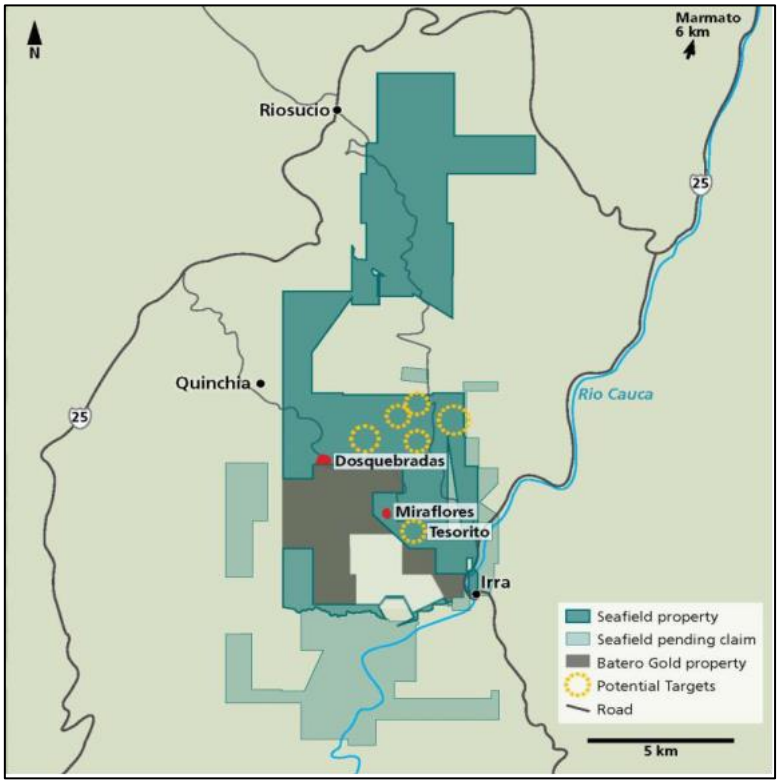
All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Metminco are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such 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: QUINCHIA GOLD PORTFOLIO

a. Location of Miraflores Gold Project



b. Notable gold mineral resources – Mid-Cauca Porphyry Belt.

Company	Project	Mineral Resource (Measured, Indicated & Inferred)		
		Tonnes (millions)	Grade (g/t)	Moz
AngloGold / B2Gold	Gramalote	372	0.51	6.1
Sunward Resources	Titribi	635	0.52	10.6
Batero	Quinchia	165	0.57	3.0
Bellhaven	La Mina	80	0.62	1.6
Minera Seafield	**Quinchia**	**134**	**0.65**	**2.8**
AngloGold Ashanti	La Colosa	1,255	0.82	33.1
Gran Colombia	Marmato	489	0.92	14.4
Red Eagle	San Ramon	13	1.78	0.75

Note: The mineral resources summarised above are estimated at different cut-off grades in certain instances.

ANNEXURE 2: Miraflores Project

Level of Study by Discipline - SRK

Discipline	Item	Level	Comments
Geology	All	FS	Scott Wilson's scope of work. Appears all work completed with exception of final rock type characterization.
Open Pit Mining	Pit Optimization	FS	At Feasibility Study level
	Pit Design	FS	Supported by Feasibility Study geotechnical parameters
	Waste Dump Design	PFS	Ramps, Slope angles. Stability analysis for valley dump recommended
	Pre-Production Schedule	PFS	Scheduled volumes not supported by detailed design volumes
	Mine Production Schedule	FS	Haul profiles calculated to Feasibility Study level
	Fleet Estimate Cost	PFS	Would be Feasibility Study if quotes, taxes and import duties updated through 2015
	Mine Operating Cost	PFS	Would be Feasibility Study with updated labor, consumable and burdens
Underground Mining	Mine Design	PFS	To confirm PFS level: Additional detail on development such as ramps, ventilation, etc. Checking stope detail of the optimizer shapes to ensure mineability.
	Infrastructure	PEA	Ventilation models should be completed simulating the underground production schedule to ensure adequate airflows to all parts of the mine. Electrical loads need to be further evaluated and an adequate system should be designed. Additional dewatering
	Production Schedule	PFS	To confirm PFS level: More complete productivity estimates which are used in the schedule. Scheduling methodology would remain the same.
	Underground Operating Cost	PFS	To confirm PFS level: Further refinement of first principle costing and tie back to production schedule. Updated cost quotes to 2014
	Underground Capital Cost	PFS	Could refine auxiliary equipment and utility costs.
Geomechanical	Characterization	FS	Unless additional resources are identified outside the current volume then the conducted characterization programs to date should be at a Feasibility Study level.
	Open Pit Stability	FS	Unless additional weathering with depth is identified with new infill drilling then the stability analyses conducted to date should be at a Feasibility Study level, with the exception of checking stability under earthquake conditions.
	Underground Stability	FS	Unless the cut-off grade significantly changes mineable vein widths or infill drilling identifies additional high grade areas that could be mined early in the sequence then the stability analyses conducted to date should be at a Feasibility Study level.
	Backfill	PEA	Quantity of cement in the cemented backfill requires testing.
Environmental	Permitting (incl. EIS)	PFS	PFS requires a comprehensive overview and listing of required permits, as well as the initiation of the EIS, but not

Discipline	Item	Level	Comments
			necessarily submission of the EIS to the regulatory authorities.
	Baseline Data	PFS	PFS requires the collection and review of available environmental data from existing databases for environmental studies, assessments or audits; regulatory inspections, waste handling practices; management plans.
	Geochemistry	FS	Unless that there are significant changes in the beneficiation process, or the cut-off grade has changed, then the geochemical evaluations conducted to date should be at a Feasibility Study level.
	Hydrogeology	PFS	Hydrogeology baseline is very close to Feasibility Study level, but would need some additional analysis given the new location of the tailings impoundment.
	Management Plans	PFS	PFS requires preparation of environmental plans and monitoring programs; preliminary sediment and erosion control plan; conceptual reclamation plan; evaluation of acid rock drainage; geotechnical stability review of waste dumps and tailings dam; preliminary impact mitigation plan; preliminary spill and emergency response plan.
	Socioeconomics	PFS	PFS generally requires the initiation of social baseline data gathering, some community engagement and training, and health /safety programs identified.
Process Design	Design	PFS	Lyntek scope of work. Substantial drawings exist. Would need further review and re-confirmation by an alternate firm.
	Capital Cost	PEA	Lyntek scope of work. Capital equipment was updated with quotes however installation and other costs were not updated. A complete capital cost estimate was not compiled by Lyntek.
	Operating Cost	PEA	Lyntek scope of work. An operating cost was not provided by Lyntek. The PEA cost was used with adjustments by SRK to account for labor, power, and inflation.
Tailings Facility	Design	PEA	Leachate storage facility is at Feasibility Study level and a Feasibility Study report was developed. Updated location for the flotation tailings impoundment presented herein is at a PEA level. Field characterization and more detailed design is required for PFS for the flotation tailings embankments. Scheduling of the borrow material quantities needs to occur.
	Capital/Operating Cost	PEA	Flotation tailings costs needs to be re-estimated based on quantities of a PFS level design. Leachate costs need to be re-estimated based on quantities in the current Feasibility Study level design.
Metallurgy	All	FS	A Feasibility Study level metallurgical report was completed.

Source: SRK – February 2015 Technical Report (internal report completed for RMB).

ANNEXURE 3

Annual Mine Plan Production Summary (SRK 2016).

	Unit	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Totals
Au oz	(oz)	17,799	47,292	56,443	51,632	56,113	63,096	56,693	61,098	39,415	**449,580**
Mineralization t/d	(t/d)	438	1,296	1,303	1,303	1,301	1,297	1,300	1,301	932	
Total tonnes (mineralization+ waste+ stockpiles)	(t)	325,628	571,370	662,051	521,238	492,948	494,682	489,700	479,782	346,364	**4,383,762**
Waste Tonnes (Au < 0.6 g/t)	(t)	132,719	56,905	134,872	12,275	9,306	5,183	4,047	-	616	**355,923**
Mineralized tonnes (Au > 1.2 g/t)	(t)	159,986	474,505	475,450	475,531	474,772	474,602	474,359	474,948	340,274	**3,824,428**
Mineralization Au	(g/t)	3.46	3.10	3.69	3.38	3.68	4.14	3.72	4.00	3.60	**3.66**
Mineralization Ag	(g/t)	2.92	3.36	3.32	2.25	2.41	2.77	3.24	3.27	2.59	**2.91**
0.60 to 0.80 tonnes	(t)	8,411	29,102	19,293	15,753	4,731	6,520	7,465	2,233	4,140	**97,648**
0.60 to 0.80 Au	(g/t)	0.65	0.69	0.72	0.73	0.73	0.66	0.66	0.71	0.79	**0.70**
0.60 to 0.80 Ag	(g/t)	1.83	1.42	1.35	1.22	1.28	1.22	1.22	1.35	1.48	**1.38**
0.80 to 1.0 tonnes	(t)	15,033	4,244	26,133	4,468	2,199	5,387	1,288	-	508	**59,260**
0.80 to 1.0 Au	(g/t)	0.89	0.90	0.91	0.86	0.84	0.90	0.84	-	0.83	**0.89**
0.80 to 1.0 Ag	(g/t)	1.47	1.73	1.90	1.40	1.91	1.21	1.55	-	1.34	**1.67**
1.0 to 1.2 tonnes	(t)	9,479	6,614	6,303	13,211	1,940	2,989	2,540	2,601	825	**46,504**

1.0 to 1.2 Au	(g/t)	1.07	1.14	1.11	1.10	1.16	1.09	1.11	1.05	1.10	**1.10**
1.0 to 1.2 Ag	(g/t)	2.09	1.61	1.80	1.78	1.36	1.38	2.32	2.14	1.53	**1.82**
Backfill volume	(m^3)	12,071	142,243	91,145	100,403	84,198	110,406	133,603	128,704	96,301	**899,074**
Rock backfill volume	(m^3)	12,071	137,526	87,732	100,403	55,292	44,228	40,131	44,834	69,176	**591,393**
Cement backfill volume	(m^3)	-	4,718	3,413	-	28,906	66,178	93,472	83,870	27,125	**307,681**
Main Ramp Development Length (4 m x 5 m)	(m)	2,832	1,428	3,046	589	299	277	240	29	99	**8,838**
Surface raise meters	(m)	171	-	-	-	-	-	-	-	-	**171**
Internal Raise meters	(m)	97	56	142	-	-	-	-	-	-	**294**
Stope tonnes	(t)	42,323	341,214	289,632	314,214	263,796	328,425	404,000	410,920	311,693	**2,706,218**
Level Development tonnes (3 m x 5 m)	(t)	134,643	152,714	209,372	177,502	214,115	152,377	73,683	67,431	29,706	**1,211,542**

Source: SRK

Rule 5.3

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

ABN	Quarter ended ("current quarter")
43 119 759 349	30 June 2016

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter A$'000	Year to date 6 months A$'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for:		
	(a) exploration and evaluation	(763)	(1,297)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(434)	(719)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	**(1,197)**	**(2,016)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investment	(2,029)	(2,279)
	(b) other fixed assets	12	12
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	12
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	(2,017)	(2,255)
1.13	Total operating and investing cash flows (carried forward)	(3,214)	(4,271)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(3,214)	(4,271)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3,672	3,962
	Costs of issue	(151)	(153)
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Cash received on acquisition of entity)	75	75
	Net financing cash flows	**3,596**	**3,884**
	Net increase (decrease) in cash held	382	(387)
1.20	Cash at beginning of quarter/year to date	251	949
1.21	Exchange rate adjustments to item 1.20	(45)	26
1.22	**Cash at end of quarter**	**588**	**588**

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	190
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors for the period 01 April 16 – 30 June 16 for:
Directors' fees: A$190,084

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

None

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

None

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	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		A$'000
4.1	Exploration and evaluation	800
4.2	Development	-
4.3	Production	-
4.4	Administration	400
	Total	**1,200**

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	588	251
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	588	251

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				
6.2	Interests in mining tenements acquired or increased	010-87M, FCG-08357X ,FCG-8356X, DLK-141, FCG-08353X, FCG-08358X FHH-083, DLK-14544X, FCG-082 and various applications for licences in the process of being granted	Acquisition of Quinchia Gold Portfolio located in Colombia	0%	100%

+ 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	**Preference +securities** *(description)*				
7.2	Changes during quarter: (a) Increases through Issues (b) Decreases through returns of capital, buy backs, redemptions				
7.3	**+Ordinary securities**	3,879,053,547	3,879,053,547		
7.4	Changes during Quarter: (a) Increases through Issues	210,000,000	210,000,000	Shares issued at A$0.004 (£0.002) per share	Fully paid
		40,000,000	40,000,000	Shares issued at A$0.004 (£0.002) per share	Fully paid
		1,604,832	1,604,832	Exercise of 15 May 2016 Options A$0.005 (£0.0026) per share	Fully paid
		151,785,724	151,785,724	Shares issued at A$0.004 (£0.0021) per share	Fully paid
		1,233,630	1,233,630	Exercise of 15 May 2016 Options A$0.005 (£0.0026) per share	Fully paid
		82,750,000	82,750,000	Shares issued at A$0.004 (£0.0021) per share	Fully paid
		1,639,872	1,639,872	Shares issued at A$0.004 per share	Fully paid
		6,582,125	6,582,125	Exercise of 15 May 2016 Options A$0.005 (£0.0026) per share	Fully paid
		350,000,000	350,000,000	Shares issued at A$0.005 per share	Fully paid
	(b) Decreases through returns of capital, buy backs, redemptions				

+ See chapter 19 for defined terms.

7.5	**+Convertible Debt securities** (*description)*				
7.6	Changes during quarter: (a) Increases through issues (b) Decreases through Securities matured, converted				
7.7	Options (description and conversion factor)	Unlisted: 5,000,000		Exercise price: A$0.0302	Expiry date: 01 Aug 2017
7.8	Issued during quarter				
7.9	Exercised during quarter	Unlisted: 9,420,587		Exercise price: A$0.005 (£0.0026)	Expiry date: 15 May 2016
7.10	Expired during quarter	510,977,194		A$0.005 (£0.0026)	15 May 2016
7.11	Debentures(totals only)				
7.12	Unsecured notes (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 give a true and fair view of the matters disclosed.

Sign here:

Date: 31.07.2016

(Company secretary)

Print name: Philip Killen

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

+ See chapter 19 for defined terms.

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.

+ See chapter 19 for defined terms.