

1 April 2015

Dear Shareholder

## Notice to Ineligible Shareholders of the Rights Issue

We write to you as the registered holder of Metminco Limited (ACN 119 759 349) (**Metminco** or the **Company**) fully paid ordinary shares (**Shares**) as at today's date. As announced on 18 February 2015, the Directors of Metminco have resolved to offer a pro-rata non-renounceable rights issue of up to approximately 540,000,000 Shares (**New Shares**), on the basis of one New Share for every 3.25 Shares held on the **Record Date** (5:00 pm on 10 April 2015 Sydney time for Australian and New Zealand shareholders and 5:00 pm on 10 April 2015 London time for UK registered shareholders) at an issue price of \$0.005 (£0.0026) per New Share, with one free attaching unlisted option exercisable at \$0.005 (£0.0026) per Share on or before 12 calendar months after the date of issue of the New Share (**Rights Issue Option**) under the Prospectus, to raise approximately A\$2.7 million (£1.4 million) before costs (**Rights Issue**). New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

The Company intends to apply for quotation of the New Shares but not quotation of the Rights Issue Options.

The funds raised from the Rights Issue are intended to be used for:

- Costs associated with identifying a near term cashflow asset for potential acquisition;
- Completion of the planned Preliminary Economic Assessment ("PEA") for a smaller, high grade starter operation at Los Calatos;
- Exploration work at Los Calatos on a target adjacent to the existing Los Calatos resources;
- Legal and corporate costs associated with securing mining access rights at Mollacas; and
- Working capital.

Participation in the Rights Issue is available to Metminco shareholders registered on the Record Date and whose registered address is in Australia, United Kingdom or New Zealand (**Eligible Shareholders**).

The Rights Issue is being made pursuant to a prospectus which was lodged with the Australian Securities and Investments Commission and the ASX on 1 April 2015 (**Prospectus**). The Prospectus is available at the Company's website: [www.metminco.com.au](http://www.metminco.com.au) or on the ASX website (company announcements section, ASX code: MNC) at [www.asx.com.au](http://www.asx.com.au).

Following completion of the Rights Issue, and assuming 100% uptake of the Rights, the Company will have issued approximately 2,594,752,432 New Shares and 540,000,000 Rights Issue Options; 75,335,833 options exercisable at A\$0.006 (£0.003) per Share no later than 20 May 2015; 103,855,318 options exercisable at A\$0.006 (£0.003) per Share no later than 27 June 2015; 2,000,000 options exercisable at A\$0.175 per Share no later than 15 June 2015; 2,000,000 options exercisable at A\$0.21 per Share no later than 15 June 2015; 250,000 options exercisable at A\$0.075 per Share no later than 28 January 2016; 250,000 options exercisable at A\$0.089 per Share no later than 28 January 2016; and, 5,000,000 options exercisable at A\$0.0302 per Share no later than 1 August 2017.

### *Ineligible shareholders*

In accordance with the Listing Rules of the Australian Securities Exchange, the Company has considered the number of shareholders with registered addresses outside of Australia, United Kingdom and New Zealand and the size and value of the shareholdings held by those shareholders. Taking into consideration the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to shareholders with registered addresses outside of Australia, United Kingdom and New Zealand, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders (**Ineligible Shareholders**).

Accordingly, Metminco will not be sending you a copy of the Prospectus as Metminco is unable to extend to you the opportunity to participate in the Rights Issue.

If you have any queries in relation to the Rights Issue, or the action you are required to take to subscribe for New Shares, please do not hesitate to contact Phil Killen, the Company Secretary on (02) 9460 1856.

Yours sincerely



Philip W Killen  
Company Secretary