ASX ANNOUNCEMENT 31 October 2013

QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

3 MONTHS TO 30 SEPTEMBER 2013

Los Calatos Project – Peru

On 12 August 2013, the Company announced the results of further optimisation work undertaken by RungePincockMinarco at its 100% owned Los Calatos Project, the key results of which are summarised as follows:

- Life of Mine (34 years)
  - Comprises an open pit and underground block cave operation
  - Total tonnes treated over Life of Mine of 811Mt at 0.47% copper and 0.03% molybdenum
  - Annual copper in concentrate production of 98.4kt
  - Cash operating costs of US$1.12/lb Cu inclusive of by-product credits
- Open Pit (14 Years)
  - Total tonnes treated of 362Mt at 0.37% Cu and 0.023% Mo (cut-off grade 0.15% CuEq)
  - Strip ratio of 3.36:1
  - Production rate of 75kt per day
- Underground Block Cave (20 years)
  - Total tonnes treated of 449Mt at 0.56% Cu and 0.035% Mo (cut-off grade 0.35% CuEq)
  - Production rate of 70kt per day
- Metallurgy
  - Selection and preparation of geo-metallurgical samples for metallurgical testwork completed

Mollacas Project - Chile

- Completion of column leach testwork at Feasibility Study level expected by year-end
- Results received to-date support favourable copper recoveries for both oxide and supergene material
- Environmental monitoring and base line studies completed; EIA application expected to be lodged by mid-2014

Corporate

- Dr Roger Higgins and Mr Stephen Tainton appointed to Board as Non-Executive and Executive Directors respectively, effective 08 October 2013
- Cash position as at 30 September 2013 was approximately A$9.4 million (US$8.8 million)
- Company advances its 100% owned Los Calatos and Mollacas projects while evaluation of funding alternatives continues

Mr William Howe, Managing Director commented: *"The September quarter saw the completion of further optimisation work at the Los Calatos Project, which generated improved results by comparison to the prior work completed by NCL.*

The Company continues to engage with potential strategic partners regarding the development of Los Calatos.

Column leach testwork at the Mollacas Project continued to advance favourably with copper recovery and acid consumption indicators all pointing to a positive outcome for the eventual development of the project."

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KEY RESULTS

LOS CALATOS PROJECT

Introduction

In March 2013 Metminco announced the results of an independent Scoping Study conducted by NCL Ingeniería y Construcción Ltda ("NCL") on the Los Calatos Project, located in southern Peru (Appendix 1).

The mining scenario evaluated as part of the Scoping Study provided for an open pit with a life of 7-years, and a subsequent underground block cave operation with a life of 24-years, at an average life of mine production rate of 60ktpd.

Since the completion of the Scoping Study, additional optimisation work has been completed by RungePincockMinarco ("RPM"), who focussed primarily on evaluating the opportunity to increase production rates for both the open pit and underground block cave operations. To this extent, RPM reviewed the latest pit optimisation work conducted by Metminco, as well as the underground production schedule developed by NCL, and subsequently confirmed that production rates of 75ktpd and 70ktpd are achievable for the open pit and underground block cave operations respectively ("Optimised L3_Model") (Appendix 2). Furthermore, RPM adjusted prior operating and capital cost estimates to accommodate the increased production rates and resultant 'ore flow'.

Optimised L3_Model

Open Pit Operation

Metminco conducted a series of pit optimisation runs using Whittle 4D Lerchs-Grossman software to determine the approximate shape of a near-optimal pit shell based on applied cut-off grade criteria and pit slopes, with the objective of increasing the life of the open pit within acceptable pit slope angles and strip ratios. Table 1 below summarises the results of this work.

Table 1: Open pit key results - Optimised L3_Model.

Subject	Units	Optimised L3_Model
Tonnes Mined	Mt	362
Head grade: Cu	Cu (%)	0.371
Contained Cu	mmlbs	2,957
Total waste	Mt	1,217
Strip Ratio	Ratio	3.36:1
Pit Slopes	Degrees	41 to 47
Final Pit Depth	metres below surface	±700
Life of Pit	Years	14

Note: Open pit head grade revised from 0.39% Cu and 0.026% Mo to 0.37% Cu and 0.023% Mo following subsequent refinement of ore flow model ex stockpile.

RPM reviewed the results of the optimised pit, and resultant mining schedule, with the objective of determining whether the open pit could deliver a production rate of 75ktpd run-of-mine. In particular, RPM evaluated the ability to:

- Maximise mineable resource extraction;
- Minimise waste material movement;

- Minimise bench turnover; and
- Minimise fleet size.

A terrace mining method was adopted to allow for simultaneous access to multiple benches (up to 5 benches), and hence provide for flexibility in blending. Furthermore, provision was made for maintaining a minimum mining width of 100 metres on a 15 metre high bench.

The resultant mine schedule, which represents a balance between the delivery of product specification, mining practicality and compliance with key constraints established for the project, supports the achievability of a production rate of 75ktpd without any material issues.

Underground Block Cave

RPM also reviewed the production schedule developed by NCL for the underground block cave operation with the objective of confirming an increased production rate of 70ktpd, and delaying the timing of the planned underground development in order to reduce the pre-production capital expenditure.

In order to achieve this, RPM endeavoured to optimise the mining schedule as it relates to the drawpoint, undercut and extraction sequence, albeit that a more detailed mine design and layout is ultimately required to facilitate this. Several assumptions were made:

- Development target per drift: 125 metres per month;
- Undercut drilling density: 4.5 dm per m^2;
- Undercutting rate: 6,700 dm per month per radial drill;
- Maximum undercutting rate: 3,250 dm per drift per month (50% drilling and 50% drill and blast);
- Maximum loading per drawpoint: 120tpd
- Drawbell and drawpoint establishment: 60 days after development of extraction drift is complete; and
- 5 drawbells opened up per month

Based on the work completed by RPM, a total of 449Mt was scheduled over the life of the underground block cave operation of 21-years (Table 2), with an average drawpoint extraction rate of 120tpd and a maximum production rate of 70ktpd. Table 3 below summarises the tonnes mined from the three production levels, namely, 2005, 1795 and 1300.

Table 2: Block cave key parameters - Optimised L3_Model.

Subject	Units	Optimised L3_Model
Tonnes Mined	Mt	449
Head grade	Cu (%)	0.56
Contained Cu	mmlbs	5,525
Mining Levels	No.	2005, 1795 & 1300
Block Cave Stopes	No.	10
Life of Underground Block Cave	Years	21

Table 3: Underground Block Cave – Extracted tonnes scheduled (Optimised L3_Model).

Scenario	Level 2005		Level 1795		Level 1300		Total	
	No. Stopes	kt	No. Stopes	kt	No. Stopes	kt	No. Stopes	kt
Optimised L3_Model	1	59,292	6	230,643	3	159,509	**10**	**449,444**

Note: RPM schedule is based on the mine design as per the NCL Scoping Study (El Teniente extraction layout).

From the work completed by RPM, it is clear that further refinement of the production schedule is required, which will necessitate detailed mine design and planning to be undertaken during the Pre-Feasibility Study. In addition, further exploration drilling, geotechnical and hydrological work is required to realise the full potential of Level 1300.

The eventual use of the sub-level caving mining method to access several high grade areas that do not meet the minimum size specifications for block caving will also be fully assessed during the Pre-Feasibility Study.

Life of Mine – Optimised L3 Model

The key operating parameters for the Optimised L3_Model are summarised in Table 4 below, and the development and production schedule is graphically depicted in Appendix 3.

Table 4: Life of Mine – Key operating parameters Optimised L3_Model.

Parameter	Optimised L3_Model
Total tonnes milled (millions)	811
Average annual tonnes milled (millions)	23.9
Average annual copper in concentrate (kt)	98.4
Average annual payable molybdenum (kt)	4.8
Strip Ratio (open pit)	3.36:1
Mining costs (US$/t)	7.72
Processing costs (US$/t)	4.58
G & A costs (US$/t)	0.51
By - product credit (US$/lb payable Cu)	0.73
Cash operating costs *net of credits* (US$/lb copper)	1.12
Pre-production capital (US$ millions)	1,320

Note:

i) Cash operating costs exclude government royalties, but include all other costs and royalties.

ii) By-product credits based on commodity prices Cu = US$2.95/lb, Mo = US$12.78/lb, Au = US$1,348/oz, Ag = US$25.00/oz and Re = US$5,773/kg.

iii) Open pit head grade revised from 0.39% Cu and 0.026% Mo to 0.37% Cu and 0.023% Mo following subsequent refinement of ore flow model ex stockpile. This impacted marginally on metal content and hence cash operating costs.

The envisaged development schedule for the Optimised L3_Model can be summarised as follows:

The project development schedule allows for construction of the surface infrastructure and the metallurgical plant to be undertaken simultaneously with the development of the open pit operation.

The life of the open pit is estimated to be 14-years during which time a high grade stockpile will be established, which will supplement production from the underground operation during the underground ramp-up stage (Years 11 to 19).

The annual contained copper and molybdenum metal in concentrate is expected to average 98.4kt and 4.8kt respectively over the life of mine.

Cash operating costs, net of by-product credits, are expected to average US$1.12/lb of copper over the life of mine, and compare favourably with global cash costs, ranking the project in the lowest quartile of global producers.

The initial capital requirement for the establishment of the open pit, surface infrastructure and metallurgical plant is estimated at US$1,320 million, which includes a contingency of 25% by virtue of the current developmental status of the project. Sustaining capital will be funded from cashflow while the development of the underground mining operation may well be financed through a combination of debt and equity to maximise project returns and free up cashflow from the operation.

The underground mine infrastructure will consist of a twin decline system, one for personnel and equipment, and an adjacent conveyor system for ore extraction. Four vertical raise-bored ventilation shafts will support the underground operation. Ore will be crushed through a primary crusher to be located underground.

Metallurgical testwork

A preliminary metallurgical testwork program was conducted on 11 sulphide composites (derived from drill core samples) in 2009 at the SGS Lakefield Laboratories in Santiago. The results provided a provisional indication of the expected recoveries and likely concentrate grades for a commercial operation.

A second, more detailed, metallurgical testwork program (conducted at a Pre-Feasibility Study level) has been planned, which will include 9 geo-metallurgical samples (Appendix 4) that represent the main ore-types which are to be mined during the open pit phase at Los Calatos, as well as Level 2005 of the underground block cave operation. The geo-metallurgical composites have been selected on the basis of those criteria that may impact on the copper extraction process such as low grade and high grade copper equivalent zones, supergene and primary material, lithology, alteration type, and the possible presence of deleterious elements.

The program will include both grinding and flotation testwork, and will confirm the relevant metallurgical parameters for the planned Pre-Feasibility Study. All of the proposed metallurgical tests will be carried out using sea water, as this will be the fluid medium of choice for the extraction process in the main commercial plant. Metallurgical tests will also be conducted using potable water for comparative purposes.

The scope of work for the proposed metallurgical testing will comprise the following key phases:

- Flowsheet development program – Grinding Circuit;
- Flowsheet development program – Flotation Circuit for sulphide ores;
- Metallurgical mapping program – Grinding Circuit;
- Metallurgical mapping program – Flotation Circuit;
- Pilot plant testwork in order to generate sufficient bulk copper-molybdenum concentrate for copper-molybdenum separation testwork; and
- Environmental characterisation program of metallurgical products.

Future Work

The Company continues with detailed investigations that are a pre-requisite for the commencement of a Pre-Feasibility Study. To this end, the following work is being undertaken:

- Design of an in-fill drilling program for the identified supergene zone, geotechnical work, as well as the sterilisation drilling required for the establishment of the requisite mine infrastructure;
- Geotechnical studies in support of the optimised pit and underground block cave operation;

- Phase 2 detailed metallurgical testwork;
- Identifying the optimal location for the planned tailings dam;
- Positioning of an infrastructure corridor to the coast; and
- Oceanographic studies for the positioning of loading facilities at the coast.

Mollacas Copper Leach Project

Phase 3 Metallurgical Testwork

The metallurgical testwork now underway at the SGS laboratory in Santiago, Chile, has been designed to evaluate the Mollacas copper leach process at a Feasibility Study level. This testwork will provide the final information required for the completion of the design phase of the project, as well as the operating information for the submission of the requisite Environmental Impact Assessment (EIA).

The mineralisation being tested consists of oxide ore (mostly malachite with traces of chrysocolla and brochantite) and supergene ore (mainly chalcocite and covellite, with minor chalcopyrite and significant pyrite).

The proposed Mollacas copper recovery process will consist of primary, secondary and possibly tertiary crushing (dependent on final recommendations regarding optimum crush size), agglomeration, heap leaching (LX), solvent extraction (SX) and electrowinning (EW) aimed at producing LME Grade "A" copper cathode as an end-product.

The primary objectives of this phase of metallurgical testing are to:

- Ensure that there is sufficient gaseous porosity at an optimal temperature for good bacterial activity;
- Develop an acid control philosophy to minimise impurity levels;
- Determine final copper recoveries based on factors such as leaching time for varying particle sizes (e.g.19, 16 and 12 mm), agglomeration, acid curing at varying dosages, irrigation rates, the addition of air and it's possible effect on leaching rates, and column height;
- Analyse the sensitivity of copper recoveries, and net acid consumption rates, to mineralisation and alteration types; and
- Provide leaching and processing design information for preparation of the EIA.

At present 16 columns, representing 5 geo-metallurgical units are being tested under different operating conditions, including column height and particle size of ore. Although this work is estimated to be completed in February 2014, sufficient information will be available in late Q4 2013 to provide reliable estimates for plant design purposes.

As at the date of this report, the columns had been under leach for between 140 and 146 days, including up to 4 days for acid curing prior to irrigation commencing. The columns are performing well, with soluble copper extraction rates being ahead of expectations when compared with the previous testwork.

Total leach solution of between 1.47 and 2.2m^3/t of ore has been applied to date to achieve >80% recovery of soluble copper for both oxide and supergene ores. Some columns have now surpassed 90% recovery of soluble copper.

Other observations from this testwork program include;

- Potassic altered porphyry, hosting supergene ore, must be mixed with quartz-sericite altered porphyry ore to provide heap strength and porosity, especially at smaller crush sizes;
- Acid curing prior to leaching is important for rapid extraction of acid soluble copper, however, copper recovery is more sensitive to crush size than it is to acid dosage in the agglomeration stage, therefore, net acid consumption can be controlled without adversely affecting final recoveries;
- The use of rest rinse cycles in the leach process is an effective way of controlling heap saturation levels; and
- Ore type mixing is preferable to ore type separation in the leach phase, as the supergene ores will be acid generating in the later stages of the leach cycle due to the development of a ferric leaching regime with time. Acid consumption in the supergene ore columns has reduced to a near zero consumption rate due to the strong generation of ferric iron in the system. This bodes well for the project economics.

Re-assessment of operating and capital costs

Operating and capital costs for the planned Mollacas copper leach project are currently being re-evaluated. To this extent mining contractors and equipment suppliers have been approached in Chile to provide preliminary cost estimates for a mining operation with a planned production rate of 8,000 tpa of cathode copper over a 7 to 8 year life of mine. These costs in conjunction with the results of the current column leach testwork will form the basis of a revised life of mine financial model.

Future Work

Pending the results of a financial assessment of the project, and the definition of the parameters under which the mine will operate, an Environmental Impact Assessment Study will be completed for submission to the relevant government authorities by mid-2014.

CORPORATE

Change of Board

Dr Roger Higgins and Mr Stephen Tainton were appointed to the Board of the Company effective 08 October 2013. Mr William Etheridge, who has served as a Director of Metminco since 17 July 2009, has elected to retire from the Board, effective on 08 October 2013.

Roger (aged 62) holds a BE from the University of Queensland, a MSc from the University of Aberdeen, a PhD from the University of New South Wales and attended the Stanford Executive Program. Roger's' career has spanned 41 years, which included various hydrology related positions early in his career in Papua New Guinea (Commonwealth Department and Bougainville Copper), and 4-years at the University of New South Wales where he completed a PhD in water resource economics. Roger subsequently spent 26-years with BHP as Manager Planning and Development with BHP Copper, General Mine Manager Escondida, Managing Director Ok Tedi, Vice President Project Development Chile and Vice President and Chief Operating Officer Australia responsible for the Olympic Dam and Cannington mines. Thereafter he spent 5-years with Teck Resources Limited as Senior Vice President - Copper, where he was responsible for Teck's copper business unit and its related operations in Canada, Chile and Peru. Roger brings to the Board of Metminco substantial and relevant experience in the copper business, as well as significant operating experience in the South American environment.

Stephen (aged 58) holds a BSc Honours (Geology) from the University of Natal in South Africa, and has spent most of his working career in South Africa, having started as a Research Geologist in 1980 with Johannesburg Consolidated Investment Company Limited ("JCI"), a major South African mining company involved with the exploration for, and mining of, gold, platinum, coal and various base metals. He has been extensively involved with gold exploration and deep level mining in South Africa, as well as several gold exploration initiatives in Africa, and the evaluation of numerous investment opportunities in the resource sector globally in a variety of geological environments. Stephen has served on the Boards of several JSE listed and unlisted companies whilst with JCI, the most recent of which was Executive Director of Western Areas Limited. In 2007 he joined Gold Fields Limited as Senior Advisor – Strategy, followed by a brief period with Partners In Performance involved with business process re-engineering.

The Board of Metminco thanked Mr William Etheridge for his important contribution to the formation of Hampton Mining Limited, and his valued input as director of Metminco. William has played an integral role in the evolving Metminco story, for which his efforts are appreciated by all.

Cash Position and Funding

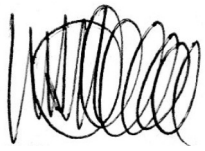
Metminco's cash position as at 30 September 2013 was A$9.4 million (US$8.8 million).

Expenditure for the September 2013 quarter included oceanographic work, optimisation studies and preparatory work for the Pre-Feasibility Study at Los Calatos. At Mollacas the metallurgical testwork, which is being conducted at a Feasibility Study level, is scheduled to be completed in February 2014.

The restructure of the Metminco Group and cost reduction strategies announced June 2013 were completed during the September 2013 quarter. As forecast, the full benefit of these strategies will not be fully realised

until the December 2013 quarter due to costs associated with office closure and associated staff redundancies.

Negotiations with a number of parties with respect to securing funding for the development of the Los Calatos and Mollacas projects is progressing.



William Howe

Managing Director

Company Background

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

Premier project - Los Calatos copper-molybdenum project

Two studies have recently been completed at Los Calatos by external consultants, namely NCL (March 2013), and RPM (August 2013), which have confirmed the potential of the project as a long-life, low cost, copper producer. Both studies have focussed on the preferred mining scenario, which incorporates the estimated mineral resources for Targets 1 and 2 at Los Calatos.

The prospectivity of the broader tenement holding position remains largely untested, and as such has the potential to contribute additional material to any future mining operation developed in context of the preferred mining scenario. That is, the Company has only drill tested two of the eight targets identified to-date over a total project area of 224 km², where the latter is located in a recognised mining district characterised by the development of structurally controlled porphyry clusters.

Peru is proving to be an investment friendly jurisdiction, in which the Government is actively encouraging responsible mine development with a projected, significant, increase in long term copper production supported by competitive power costs. Mining investment in Peru over the period 2012 to 2020 is estimated to be US$53 billion, of which 70% relates to new copper mines, and extensions to existing mines. Los Calatos remains highly deliverable, being located on State-owned land in a desert environment without competing land usage, its status as Project of National Interest, and its proximity to existing infrastructure and the coast. Metminco's strategy to access seawater for metallurgical processing purposes has been widely accepted by both local and regional authorities.

From a commodity perspective, the long-term fundamentals of the copper market remain sound, and it is anticipated that global copper production will struggle to keep pace with demand growth. With the support of a funding partner, Los Calatos has the ability to deliver copper into the global market at a time when incremental supply-demand dynamics will be dictated by production emanating from new 'possible' projects, the success of which will be heavily influenced by factors such as socio-political issues, restrictive legislation and technical issues (e.g. unit operating costs). Against the global backdrop of diminishing long life copper projects in mining friendly jurisdictions, and with the benefit of low unit operating costs, Los Calatos is well placed to command significant strategic interest.

Projects and mineral resources

The Los Calatos Project, located in southern Peru, has an open pittable Mineral Resource of 304 million tonnes at 0.37% Cu and 0.023% Mo (at cut-off grade of 0.15% CuEq) to a vertical depth of 500 metres below surface and an underground bulk mining Mineral Resource of 1,058 million tonnes at 0.56% Cu and 0.035% Mo (at a cut-off grade of 0.35% CuEq) commencing at an elevation of 2,500 metres (approximately 500 metres below surface).

The Chilean assets include the Mollacas Project with a Mineral Resource of 34.3 million tonnes consisting of a Measured Resource of 19.4 million tonnes at 0.45% Cu and 0.16g/t Au, an Indicated Resource of 9.4 million tonnes at 0.34% Cu and 0.16g/t Au, and an Inferred Resource of 5.5 million tonnes at 0.26% Cu and 0.15g/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, 10.23g/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 a number of early stage exploration projects where initial exploration activities have identified anomalous copper, molybdenum and gold values.

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 employed by the Company as Exploration Manager - 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.

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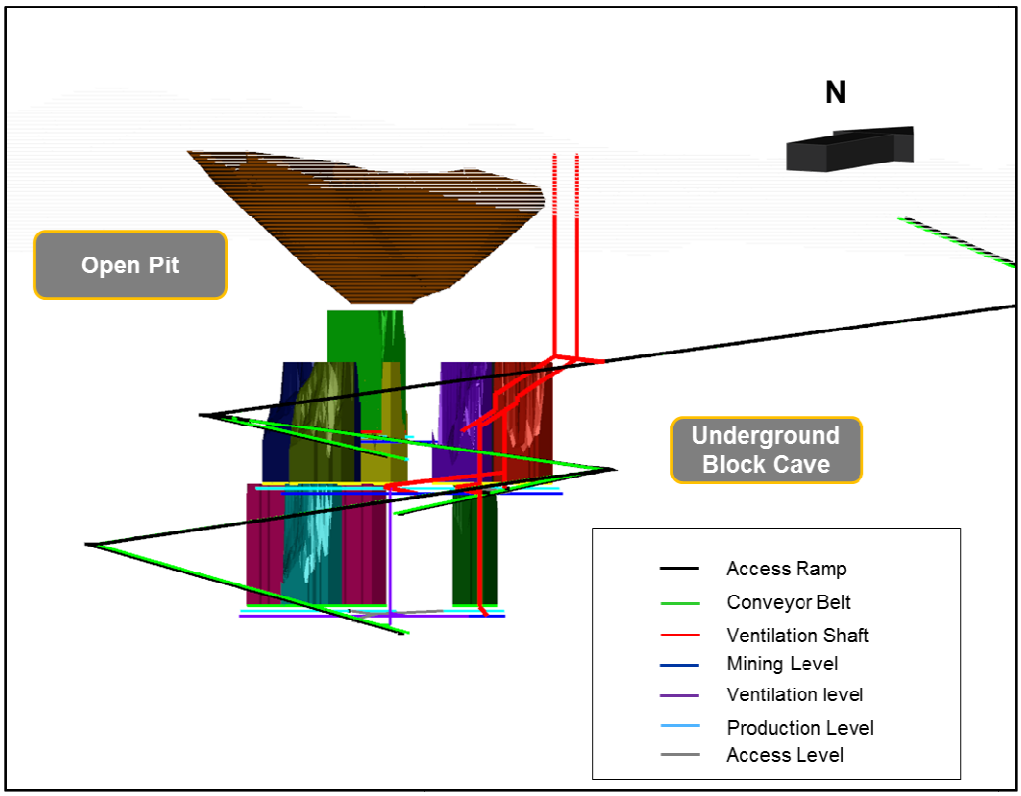
APPENDIX 1

Locality Plan – Los Calatos Copper Project

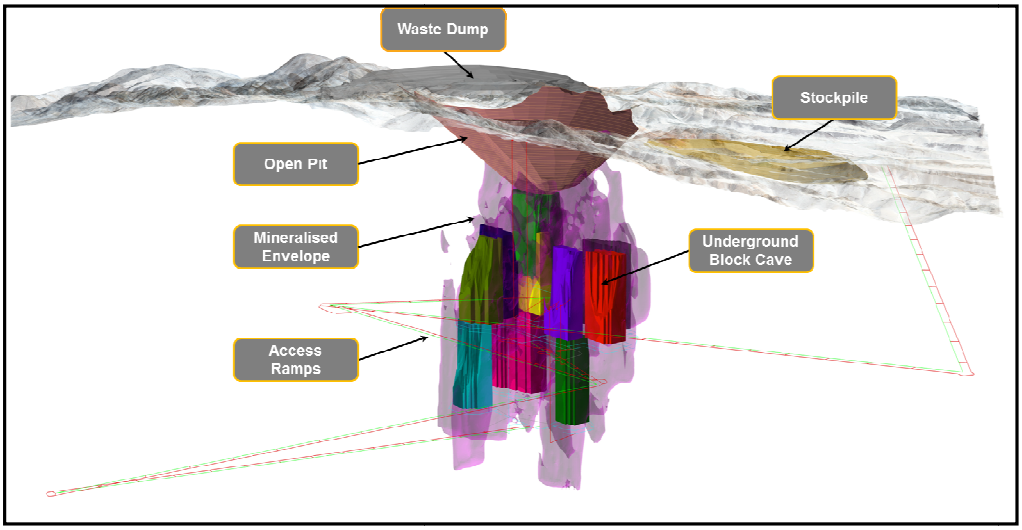
APPENDIX 2

SCOPING STUDY - PREFERRED MINING SCENARIO

Schematic section looking northwest showing the open pit, underground bulk stopes and the associated development (NCL).

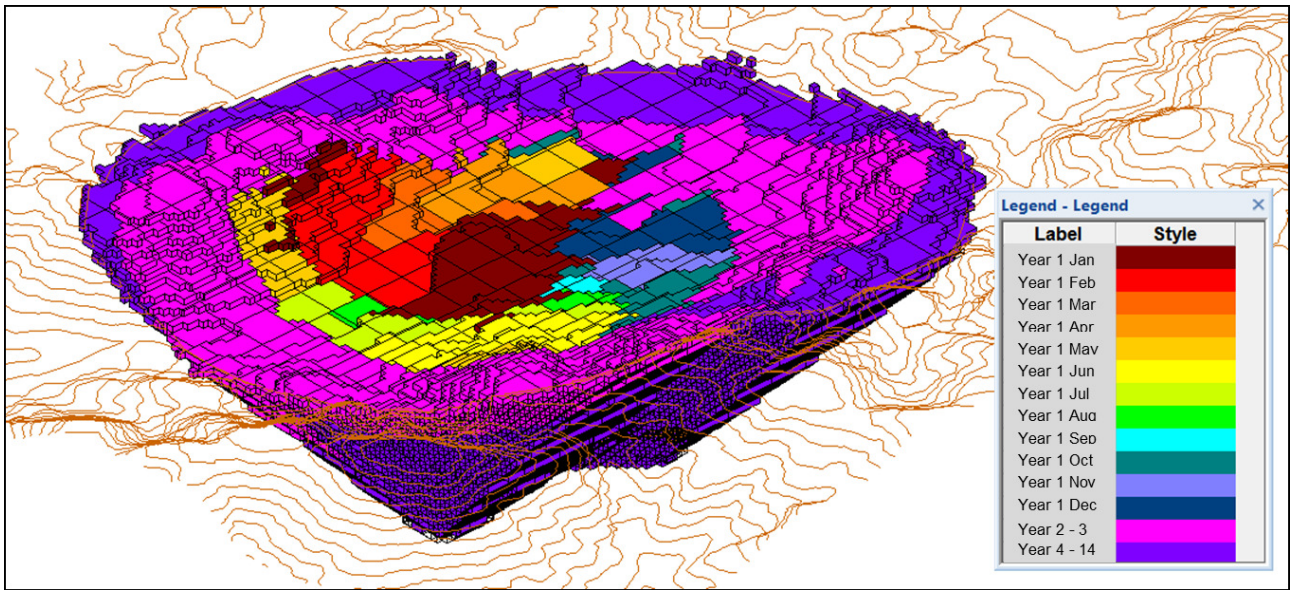


Schematic section looking northwest showing the surface DTM, open pit, underground bulk stopes and the mineralised envelope at a 0.35% CuEq cut-off (purple) constraining the bulk mining stopes.

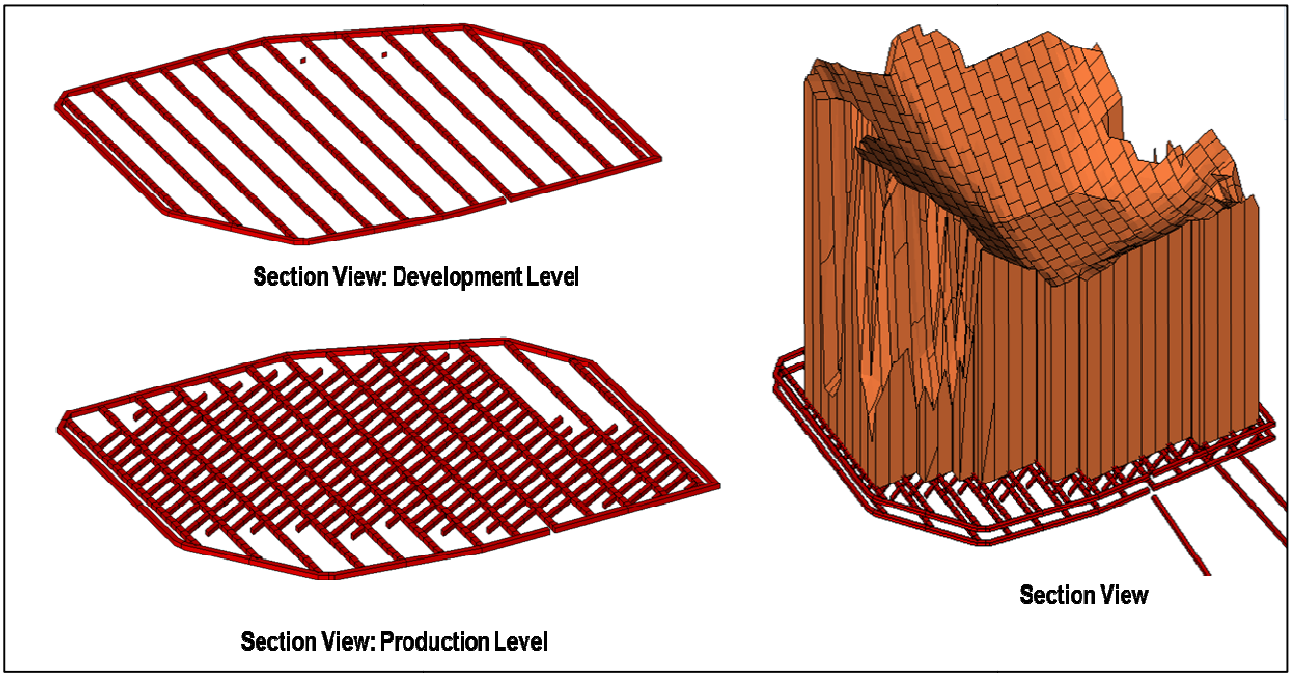


OPTIMISED L3_MODEL - PREFERRED MINING SCENARIO

Period Plot – Optimised L3_Model Open Pit.

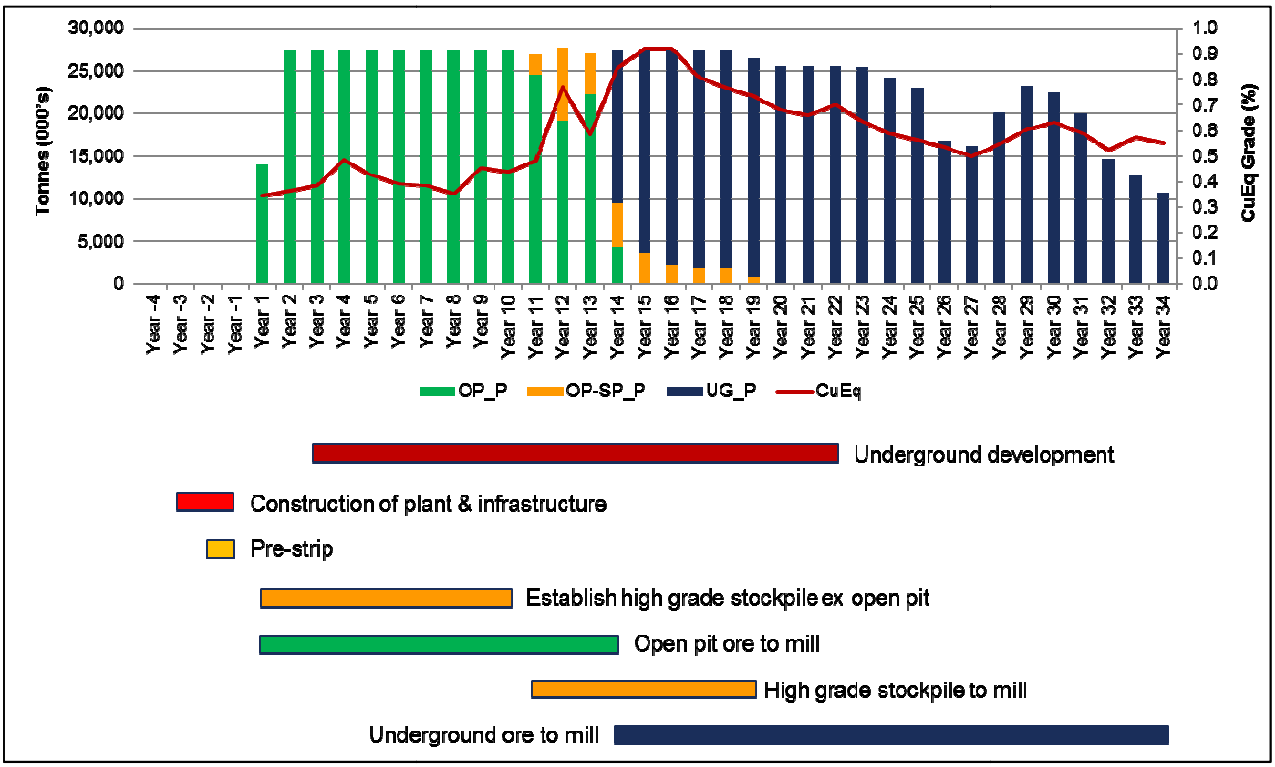


Block Cave layout and design – Level 2000.



APPENDIX 3

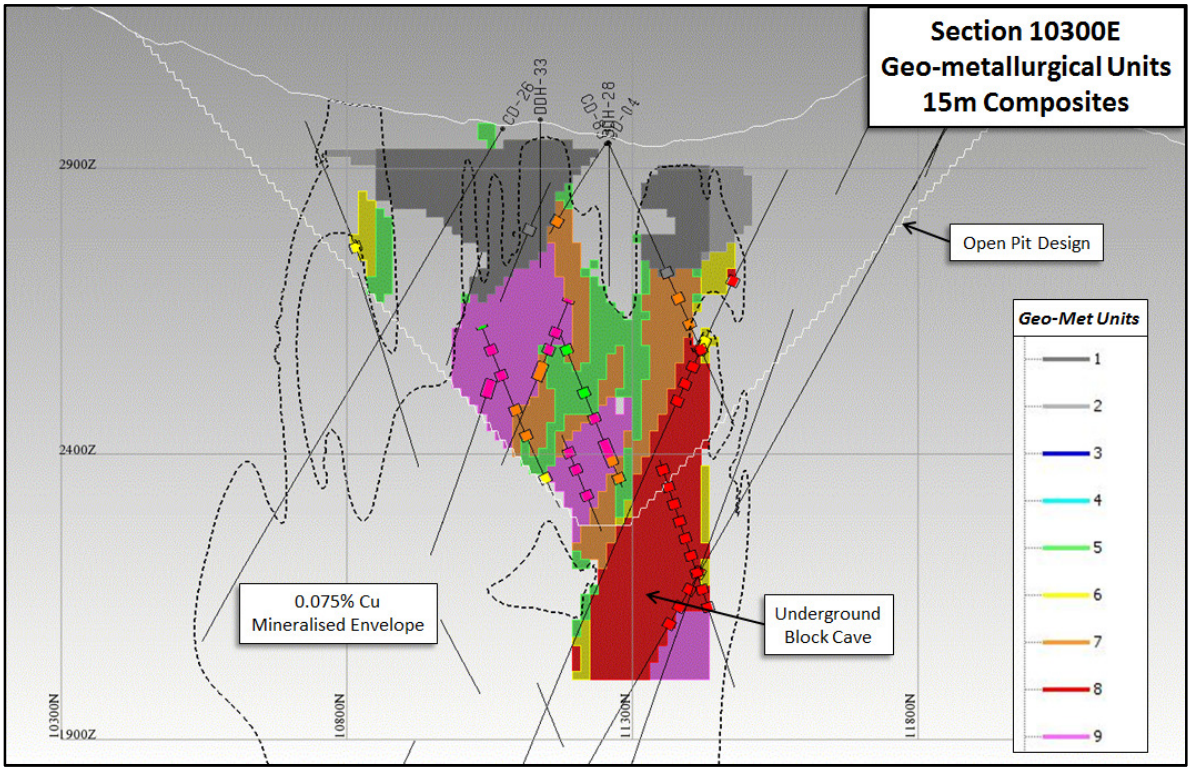
Production & Development Schedule – Optimised L3_Model.



APPENDIX 4

GEO-METALLURGICAL UNITS

Section 10300E - Geo-metallurgical units and selected samples for metallurgical testwork.



Composite selection criteria for metallurgical testwork.

Met ID	Criteria	Description
1	Supergene - PS - >=0.12% CuEq	Supergene Porphyry Stock
2	Supergene - (DC+MIX+PP) - >=0.12% CuEq	Supergene Diatreme, Mix Zone or Precursor Pluton
3	Primary - DC - As <35ppm - >=0.12% CuEq	Low grade Arsenic, Diatreme Complex
4	Primary - DC - As >=35ppm - >=0.12% CuEq	High grade Arsenic, Diatreme Complex
5	Primary - (PS) - QS - >=0.12% CuEq < 0.5%	Low grade Porphyry Stock, Quartz-Sericite Alteration
6	Primary - (MIX+PP) - QS - >=0.12% CuEq < 0.5%	Low grade Mix and Precursor Pluton, Quartz-Sericite Alteration
7	Primary - PS - QS - CuEq >= 0.5%	High grade Porphyry Stock, Quartz-Sericite Alteration
8	Primary - (MIX+PP) - QS - CuEq >= 0.5%	High grade Mix or Precursor Pluton, Quartz-Sericite Alteration
9	Primary - (PS+MIX+PP) - K - CuEq >=0.12%	Potassic Alteration

ABBREVIATED GLOSSARY

Assay
An analysis to determine the presence, absence or quantity of one or more chemical components.

Base Metal
A metal, such as copper, lead, nickel, zinc or cobalt.

Block caving
A method of underground mining in which large blocks of ore are undercut, causing the ore to break or cave under its own weight enabling extraction of the ore at a relatively low cost.

Breccia
Rock fragmented into angular components.

Cash operating costs / lb copper (net of credits)
Cash operating costs include a 2% net smelter return payable to a third party less by-product credits received from the sale of molybdenum, gold, silver and rhenium, divided by the copper produced over the defined period.

CIM N1 43-101 Code
The Canadian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Circuit
A processing facility for removing valuable minerals from the ore so that it can be processed and sold.

Copper (Cu)
A ductile, malleable base metal with a myriad of uses in construction (piping, wire) and electronics due to its high electrical and thermal conductivity and good resistance to corrosion.

Copper equivalent (CuEq)
Copper equivalent is based on the recovered value of the non-copper by-products (gold and molybdenum) relative to the recovered value of copper. For example, at a long term copper price of US$2.75/lb with Cu recovery of 87% and a molybdenum price of US$15.00/lb with recovery of 68%, 1 pound of molybdenum is equivalent to 4.2633 pounds of copper (Cu:Mo ratio of 1:4.2633).

Diamond drilling / drill hole
A method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.

Diatreme
A diatreme is a breccia-filled volcanic pipe that was formed by a gaseous explosion. Diatremes often breach the surface and produce a tuff cone, a filled relatively shallow crater known as a Maar, or other volcanic pipes.

Drill core
The long cylindrical piece of rock brought to surface by diamond drilling.

Environmental impact study (EIS)
A written report, compiled prior to a production decision that examines the effects proposed mining activities will have on the natural surroundings.

Exploration
Prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Feasibility Study
A feasibility study is an evaluation of a mineral resource to determine whether it can be mined effectively and profitably. It includes the detailed study of reserve estimation, mining methods evaluation, processing technique analysis, capital and operating cost determination and the process effect on the environment and community. This detailed study forms the basis for capital estimation, and provides budget figures for the development of the project. It requires a significant amount of formal engineering work and an accuracy within 10 to 15%.

Geo-domain
Homogeneous geological domains within a deposit identified on the basis of spatial continuity of grades and geological features such as lithology, mineralogy and alteration.
Gold (Au)

A heavy, soft, ductile, malleable precious metal used in jewellery, dentistry, electronics and as an investment.

Grade
The amount of valuable metal in each tonne or ore, expressed as grams per tonne for precious metals and percent in the case of copper and parts per million (ppm) in the case of molybdenum. *Cut-off grade* – is the minimum metal grade at which a tonne of rock can be processed on an economic basis. *Recovered grade* – is the actual metal grade realised by the metallurgical process and treatment of ore, based on actual experience or laboratory testing.

ICP
Inductively Coupled Plasma. Analytical technique used for the detection of trace elements in soils.

Isograde
Line of equal grade, often used to delineate a material change in grade across a geological boundary.

Indicated Mineral Resource
An 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Mineral Resource
An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

JORC Code
The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

Los Calatos Mining Study (the "Study")
The Mining Study completed by NCL has been conducted at a scoping level with a level of accuracy of ±35%.

Leachable (soluble) copper
Total acid and cyanide soluble copper.

Leaching
A chemical process for the extraction of valuable minerals from ore.

Measured Mineral Resource
A 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

Metallurgy
The science and technology of extraction of metals from their ores and the refining of metals.

Mineralisation
The concentration of metals and their chemical compounds within a body of rock.

Mineralised envelope
The boundary constraining the extent of the identified mineralisation, as delineated by a nominated grade or cut-off.

Mineral Resource
A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

Molybdenum (Mo)
Molybdenum is commonly a by-product of copper mining. It has the ability to withstand extreme temperatures and has a high resistance to corrosion. Molybdenum is widely used as an alloy agent in stainless steel. It is also used to manufacture aircraft parts and industrial motors.

NPV
Net present value is the difference between the present value of a future cash flow from an investment and the amount of investment, where the present value of the expected cash flow is computed by discounting the cash flow at the required rate of return.

Open Pit
A mine that is entirely on surface. Also referred to as open-cut or open-cast mine.

Ore
Rock containing mineral(s) or metals that can be economically extracted to produce a profit.

Ordinary Kriging
A geostatistical approach to estimating grades. Instead of weighting nearby data points by some power of their inverted distance, ordinary kriging relies on the spatial correlation structure of the data to determine the weighting values. This is a more rigorous approach to modelling, as correlation between data points determines the estimated value at an unsampled point.

Orebody
Generally, a solid and fairly continuous mass of ore, which may include low-grade ore and waste as well as pay ore, but is individualised by form or character from adjoining country rock.

Oz
Troy ounce (31.1035 grams).

Pit optimisation study
Pit optimisation studies are used for open pit mine planning to determine those pit limits and mining sequences that yield maximum financial returns based on defined technical parameters, operating costs and commodity prices.

Porphyry
A rock consisting of larger crystals embedded in a more compact finer grained groundmass.

Porphyry copper deposit
A copper deposit which is associated with porphyritic intrusive rocks and the fluids that accompany them during the transition and cooling from magma to rock. Porphyry copper deposits are typically mined by open-pit methods.

PPM
Parts per million, also grams/tonne

Pre-feasibility study
A preliminary assessment of the technical and economic viability of a proposed project. Alternative approaches to various elements of the project are compared, and the most suitable alternative for each element is recommended for further analysis. Costs of development and operations are estimated. Anticipated benefits are assessed such that some preliminary economic criteria for evaluation can be calculated. Preliminary feasibility studies are completed by a small group of multi-disciplined technical individuals and have an accuracy within 20 to 30%.

Recovery
A term used in process metallurgy to indicate the proportion of valuable material obtained in the processing of an ore. It is generally stated as a percentage of valuable metal in the ore that is recovered compared to the total valuable metal present in the ore.

Reverse circulation drilling (RC drilling)
Percussion drilling method using a rotating bit and high pressure air to sample sub-surface material through the recovery of broken rock fragments ('rock chips').

Solvent extraction and electrowinning (SX-EW)
A metallurgical technique, so far applied only to copper ores, in which metal is dissolved from the rock by organic solvents and recovered from solution by electrolysis.

Strip ratio
The ratio of tonnes removed as waste relative to the number of tonnes of ore removed from an open-pit mine.

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 Sep 2013

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date 9 months $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for:		
	(a) exploration and evaluation	(1,943)	(5,251)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,168)	(3,499)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	49	125
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Peruvian IGV (GST) recovery)	-	3,332
	Net Operating Cash Flows	**(3,062)**	**(5,293)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) other fixed assets	(33)	(412)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c)other fixed assets	66	66
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	**33**	**(346)**
1.13	Total operating and investing cash flows (carried forward)	(3,029)	(5,639)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(3,029)	(5,639)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
	Costs of issue	-	-
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 (proceeds from equity swap)	-	-
	Net financing cash flows	**-**	-
	Net increase (decrease) in cash held	(3,029)	(5,639)
1.20	Cash at beginning of quarter/year to date	12,575	14,484
1.21	Exchange rate adjustments to item 1.20	(138)	563
1.22	**Cash at end of quarter**	**9,408**	**9,408**

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	202
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 July 13 – 30 Sep 13 for:
Directors' fees: $200,000
Directors' services and consulting fees: $2,188

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

+ See chapter 19 for defined terms.

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	1,100
4.2	Development	-
4.3	Production	-
4.4	Administration	800
	Total	**1,900**

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	9,408	12,575
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	9,408	12,575

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				

+ 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**	1,749,543,023	1,749,543,023		
7.4	Changes during Quarter: (a) Increases through Issues (b) Decreases through returns of capital, buy backs, redemptions				
7.5	**+Convertible Debt securities** (*description)*				
7.6	Changes during quarter: (a) Increases through issues (b) Decreases through Securities matured, converted				

+ See chapter 19 for defined terms.

7.7	Options (description and conversion factor)	Unlisted: 14,250,000 14,250,000 2,000,000 2,000,000 2,500,000 2,500,000 2,000,000 2,000,000 250,000 250,000	Unlisted: 14,250,000 14,250,000 2,000,000 2,000,000 2,500,000 2,500,000 2,000,000 2,000,000 250,000 250,000	Exercise price A$ 0.44 A$ 0.525 A$ 0.44 A$ 0.525 A$ 0.215 A$ 0.260 A$ 0.175 A$ 0.210 A$ 0.075 A$ 0.089	Expiry date: 06 Dec 2013 06 Dec 2013 06 Dec 2013 06 Dec 2013 05 Dec 2014 05 Dec 2014 15 Jun 2015 15 Jun 2015 28 Jan 2016 28 Jan 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
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: 31.10.2013

(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 change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

+ See chapter 19 for defined terms.

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.