

MOLLACAS MINING ACCESS RIGHTS GAINS CHILEAN SUPREME COURT HEARING

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) is pleased to announce that the Chilean Supreme Court (“Supreme Court”) will now hear an appeal by Minera Hampton Chile Limitada (“MHC”), a wholly owned subsidiary of Metminco Limited, against an earlier ruling by the Court of Appeal of the IV Region that extinguished the Company’s mining access rights to the Mollacas Copper Leach Project which had previously been granted by a lower Chilean court.

This is a significant development in relation to the Company gaining mining access rights to its wholly owned Mollacas Project in central Chile.

The Supreme Court’s decision to grant MHC leave to appeal the Court of Appeal ruling reverses a prior decision by the Supreme Court. If MHC’s appeal is successful, the Company plans to fast track the project to development.

MHC and the Company are continuing to evaluate other legal actions in parallel to seeking a negotiated settlement with the land owner for mining access to its Exploitation Concessions.


Land Holdings and Mining Rights

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, which is located on private land. The infrastructure for the planned mining operation will be located on the Company owned land.

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.

Mr William Howe, Managing Director, commented: “The Supreme Court’s decision to hear the Company’s appeal on the Mollacas land access dispute is very encouraging.

The Company will however continue to evaluate other options to resolve this dispute, and in so doing, facilitate the development of the project.”



William Howe

Managing Director

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Company Background

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

Projects and Mineral Resources

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

The Chilean assets include the Mollacas Copper Project with a Mineral Resource of 15.5 million tonnes consisting of a Measured Resource of 11.2 million tonnes at 0.55% Cu and 0.12g/t Au and an Indicated Resource of 4.3 million tonnes at 0.41% Cu and 0.14g/t Au (at a 0.2% copper cut-off); and the Vallecillo Project with a Mineral Resource of 8.9 million tonnes consisting of a Measured Resource of 5.5 million tonnes at 0.84g/t Au, 9.99g/t Ag, 1.12% Zn and 0.32% Pb, an Indicated Resource of 2.6 million tonnes at 0.80g/t Au, 10.23g/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 currently employed by the Company in Chile.

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

Forward Looking Statement

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

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

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