

## Placement

**Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC)** announces the completion of a A\$1 (£0.5) million capital raising (“the Placing”). A total of 179,191,151 new fully paid ordinary shares (“Shares”) have been placed by RFC Ambrian at a price of A\$0.006 (£0.003) each with an unlisted option to acquire an additional Share at A\$0.006 (£0.003) per Share no later than 3 calendar months after the date of issue of the option (“New Options”).

The Placing comprises two tranches. The Company will apply for admission of the Firm Shares (75,335,833 Shares) and attached 75,335,833 New Options under ASX Listing Rule 7.1. It is expected that trading of the Firm Shares will commence on the ASX on or around 20 February 2015, Sydney time, and on AIM at 8.00 a.m. on or around 23 February 2015, London time.

Subject to shareholder approval at a General Meeting to be held on or about 24 March 2015, the Company will apply for admission of the Conditional Shares (103,855,318 Shares) to be traded on AIM and the ASX and 103,855,318 New Options. Directors will, subject to shareholder approval, participate in the Placing as follows:

Director	Number of Shares	Value A\$
William Howe	33,333,333	200,000
Tim Read	10,000,000	60,000
Francisco Vergara	3,750,000	22,500
Phillip Wing	3,750,000	22,500
Roger Higgins	1,875,000	11,250
Stephen Tainton	1,666,667	10,000
<b>Total</b>	<b>54,375,000</b>	<b>326,250</b>

It is expected that the Second Admission, and trading, will commence on the ASX on or around 27 March 2015 (Sydney time), and on AIM at 8.00 a.m. on or around 27 March 2015 (London time), and in any event by no later than 27 June 2015.

Following admission of the Firm Shares, Metminco’s issued share capital will be 1,930,851,856 Shares, and following admission of the Conditional Shares, Metminco’s issued share capital will increase to 2,034,707,174 Shares.

RFC Ambrian will receive approximately 7.8 million Shares and 7.8 million New Options in lieu of fees for the Placing.

An offer to shareholders for a non-renounceable pro-rata rights issue of one (1) new Share and one (1) New Option for every 3.25 Shares held by Australian, United Kingdom and New Zealand shareholders registered on the share register of Metminco (“Eligible Shareholders”), on the same terms as the Placement, to raise up to A\$3 million (“Rights Issue”) will be made shortly.

It is anticipated that the Rights Issue will be available to Eligible Shareholders on or about 4 March 2015 (“Record Date”). The Record Date is indicative only and the Company reserves the right, subject to the Corporations Act and the Listing Rules, to alter this date. A disclosure document (Prospectus) for the Rights Issue will be lodged with the Australian Securities and Investments Commission and issued when the Rights Issue is offered.

The proceeds from the Placement together with funds raised from the Rights Issue will be applied to expenditure related to the Company's objective of securing a near term cashflow asset, completion of the planned Preliminary Economic Assessment ("PEA") for a smaller, high grade starter operation at Los Calatos, securing mining access rights at Mollacas and working capital. The Company has been in advanced discussions with third parties in relation to a potential transaction for a near term cashflow asset. These discussions may or may not result in a transaction.

Mr William Howe, Managing Director, commented: "The funds raised from the Placement and Rights Issue will allow the Company to complete due diligence on two potential near term cash producing assets as well as complete a PEA at Los Calatos. The PEA is an important step towards advancing Los Calatos, a designated Project of National Interest, by assessing the economic viability of a smaller, high grade, starter mining operation that focuses on the higher grade copper and molybdenum zones that occur within discrete anhydrite breccia zones. We continue to implement cost cutting measures to reduce the Company's operational costs."



**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.

## Projects and Mineral Resources

The Los Calatos Project, located in southern Peru, has an open pittable Mineral Resource of 493 million tonnes at 0.38% Cu and 0.023% Mo (at cut-off grade of 0.15% CuEq) to a vertical depth of 700 metres below surface and an underground bulk mining Mineral Resource of 926 million tonnes at 0.51% Cu and 0.022% Mo (at a cut-off grade of 0.35% CuEq) commencing at an elevation of 2,300 metres (approximately 700 metres below surface).

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 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 2012 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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