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**FUNDING OF UP TO US\$45 MILLION TO  
COMPLETE THE LOS CALATOS FEASIBILITY STUDY**

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**Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC)** is pleased to announce that the Company has executed a binding Terms Sheet with CD Capital Natural Resources Fund III LP (“**CD Capital Fund III**”) for an equity investment of up to US\$45 million in relation to the Los Calatos Copper Molybdenum Project located in Southern Peru (the “**Project**”). The equity contribution by CD Capital Fund III will;

- be applied in 3 tranches, and
- be applied to complete the Pre-feasibility and Feasibility Studies on the Project with the objective to have these steps completed in the next 3 – 4 years.

Prior to settlement of the investment, there will be a restructure of the MNC entities holding the Project into a new private operational company – Los Calatos Mining Inc. Settlement of the investment will then occur via an equity subscription by CD Capital Fund III for shares in Los Calatos Mining Inc. Los Calatos Mining Inc. will retain the existing specialist management team to continue with the development of the Project.

Los Calatos is a large copper-molybdenum mining development project in Southern Peru. The Project has a Mineral Resource of 352Mt at 0.76% Cu (2.7 million tonnes of copper) and 0.032% Mo (0.11 million tonnes molybdenum) in the Measured, Indicated and Inferred Mineral Resource categories.

CD Capital Fund III will subscribe for US\$16 million worth of new shares in Los Calatos Mining Inc. equivalent to 51% of Los Calatos Mining Inc (“**Tranche 1**”). Under the subscription agreement CD Capital Fund III will have the option to subscribe for additional Los Calatos Mining Inc. shares in two additional Tranches of US\$14.5 million each which, subject to being exercised in full, would increase CD Capital Fund III’s ownership of Los Calatos Mining Inc. to 65% after Tranche 2 and 70% after Tranche 3.

It is anticipated that Los Calatos Mining Inc. will receive Tranche 1 equity funds in July 2016 following execution of the Equity Subscription Agreement and completion of the conditions precedent. Once the conditions precedent to the investment have been completed (which include reorganisation of the MNC interests in the Project into Los Calatos Mining Inc., obtaining relevant governmental approvals, legal due diligence and other steps generally undertaken to complete an investment of this nature), full details of the terms of the Equity Subscription Agreement will be announced.

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

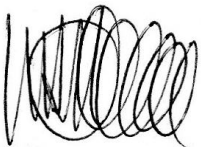
### **About CD Capital**

CD Capital Fund III is a global natural resources and mining fund with a proven track record of successfully identifying and investing in world-class mining and resource assets at the growth equity stage. CD Capital Fund III supports high quality mining projects through exploration into development and has a long term investment horizon. CD Capital Fund III’s underlying investor base is made up of professional institutional investors with strong representation from endowments and foundations.

For further details on the Los Calatos Project please visit <http://www.metminco.com.au/irm/content/los-calatos-project.aspx>

Mr William Howe, Managing Director, commented: "We are delighted that CD Capital will be our partner and strategic long term investor in the Los Calatos Project. We have consistently said unless we find the right partner we would not transact on Los Calatos, and I am pleased to say that the Board believes that CD Capital is the right fit and introduce both an extensive knowledge in the resource sector, as well as a proven track record in identifying and investing in world class mining and resource assets like Los Calatos."

CD Capital's Founder and CIO Carmel Daniele commented: "We are excited to partner with this strong experienced management team to develop the world class Los Calatos Copper Project. We look forward to working with all stakeholders including the Peruvian Government and the local community."



William Howe  
Managing Director

*For further information, please contact:*

**METMINCO LIMITED**

Stephen Tainton / Phil Killen

Office: +61 (0) 2 9460 1856

**NOMINATED ADVISOR AND BROKER**

**RFC Ambrian**

*Australia*

Will Souter/ Nathan Forsyth

Office: +61 (0) 2 9250 0000

*United Kingdom*

Charlie Cryer

Office: +44 (0) 20 3440 6800

**JOINT BROKER**

**SP Angel Corporate Finance LLP UK)**

Ewan Leggat

Office: +44 (0) 20 3470 0470

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**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.