

17 July 2019

Dear Shareholder,

I am pleased to provide this update in respect of Metminco Limited's (**Company** or **Metminco**) proposed takeover of Andes Resources Limited (**Andes**) (**Takeover**) and associated transactions. Subject to completion, these transactions will transform the Company into a leading Colombian gold explorer and developer, with a dominant position in the richly endowed Mid-Cauca Gold Belt of Colombia where the Company expects to undertake a maiden drilling programme at the Chuscal Gold Project, soon after completion.

Important Update on Capital Raising

Enclosed is a copy of the withdrawal notice lodged with ASIC today (**Withdrawal Notice**) to withdraw the prospectus lodged on 18 June 2019 to allow for the inclusion of a number of additional disclosures.

As a result of the withdrawal, the Company has instructed its share registry to return all application monies received pursuant to the capital raising offers received to date. ***Given the necessary return of funds received to date, all eligible shareholders and other applicants (including Andes shareholders) will be invited to apply (or re-apply) to participate in the capital raising.***

The Company intends to lodge a new prospectus shortly, which will confirm that the structure of the capital raising for up to \$2.332 million at an issue price of \$0.002 per share remains unchanged, including that the offers under the Prospectus are fully committed through the combination of:

- Sandfire Resources NL's (**Sandfire**) intention to subscribe to approximately \$990,000 (as announced on 17 May 2019) making Sandfire a 15% shareholder of Metminco upon close; and
- the underwriting of the balance of \$1.342 million by Hartleys Limited (as announced on 3 June 2019).

There is no individual limit on the number of shares eligible shareholders or other applicants (including Andes shareholders) may apply for, meaning applicants may apply for any number of shares, noting however that the maximum number of shares on offer in aggregate is 1,166,000,000.

The Company encourages all Metminco and Andes shareholders to consider the new prospectus once available, and this opportunity to top-up their shareholding with no brokerage costs at a pivotal time in the Company's evolution.

Takeover Offer Status

Strong progress is being made towards completion of the Takeover (and associated transactions). Notably, Metminco shareholders voted in favour of all resolutions necessary to complete the Takeover at its recent general meeting (as announced on 15 July 2019).

As at the close of business on 16 July 2019, Andes shareholders representing 68.8% of Andes shares have accepted the Takeover offer, and a further 19.4% held by Sandfire is expected to be accepted into the Takeover offer pursuant to the conditional intention statement provided by Sandfire, as announced on 17 May 2019.

The Takeover offer is expected to close on 7 August 2019. All new shares in respect of the Takeover and the associated transactions (including the capital raising offers) are expected to be issued by the Company shortly after this date.

If you have any queries in relation to the Takeover, capital raising offers or associated transactions, please contact either Kevin Wilson or Jason Stirbinskis on the details set out below:

Kevin Wilson
Executive Chairman
Metminco Limited
kwilson@metminco.com.au
+61 409 942 355

Jason Stirbinskis
Managing Director
Andes Resources Limited
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+61 407 417 944

WITHDRAWAL NOTICE BY WAY OF SUPPLEMENTARY PROSPECTUS

1. Important Information

This is a withdrawal notice by way of supplementary prospectus is intended to be read with the Company's original prospectus dated 18 June 2019 (**Prospectus**).

This withdrawal notice by way of supplementary prospectus is dated 17 July 2019 and was lodged with ASIC on that date (**Withdrawal Notice**). Neither ASIC nor ASX take any responsibility as to the contents of this Withdrawal Notice.

Other than as set out below, all details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Withdrawal Notice and the Prospectus, the provisions of this Withdrawal Notice will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Withdrawal Notice.

The Company has issued both a printed and electronic version of this Withdrawal Notice and the Prospectus. Electronic versions of both may be accessed at www.metminco.com.au.

This Withdrawal Notice and the Prospectus are important documents that should be read in their entirety. If you are in any doubt as to the contents of this Withdrawal Notice or the Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

2. Withdrawal Notice by way of Supplementary Prospectus

2.1 Withdrawal of Offers

This Withdrawal Notice has been prepared to notify investors that the Company has resolved to withdraw the Prospectus and the Offers contained within it, and to return all application money received from investors who applied for securities under the Prospectus.

2.2 Expiry of Prospectus

- (a) To effect the withdrawal of the Offers, the Company has brought forward the expiry date of the Prospectus to the date of this Withdrawal Notice, such date being 17 July 2019.
- (b) No securities have been issued prior to this date on the basis of the Prospectus, and the Company will not issue any securities on the basis of the Prospectus.

2.3 Rationale

- (a) The Company intends to lodge a new prospectus (**New Prospectus**) which will contain offers on the same terms as the Offers (**New Offers**). The New

Prospectus will contain information on the New Offers, and further to the information set out in the Original Prospectus, the New Prospectus will contain:

- (i) further information and clarity on the allocation policies in respect of the New Offers;
 - (ii) information on the mineral rights held by Andes (**Andes Rights**), including information released in accordance with the JORC Code;
 - (iii) summaries of the Andes' material contracts;
 - (iv) the terms of the Tranche 1 and Tranche 2 Notes; and
 - (v) a Solicitor's Report on the Andes Rights,
(together, the **Additional Information**).
- (b) Due to the inclusion of the Additional Information, the Company has decided to withdraw the Offers under the Prospectus.

3. Application Money

3.1 Process for refund of application money

All application monies received by the Company pursuant to the Prospectus will be refunded. There is no need for applicants to request a refund.

Payment of the refund will be made via electronic funds transfer directly to shareholders' bank accounts or cheque which will be posted to the address the investor has specified on the application. The Company will coordinate with the Share Registry to process all refunds as soon as possible.

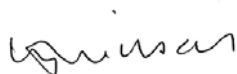
Any investor with questions concerning the refund can contact the Company on +61 3 9867 7199 or contact the Share Registry on 1300 554 474 (within Australia) or +61 2 8767 1111 for overseas callers.

4. Directors' Authorisation

This Withdrawal Notice is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Withdrawal Notice with ASIC and has not withdrawn that consent prior to lodgement.

This Withdrawal Notice is signed for and on behalf of the Company by:



Kevin Wilson
Executive Chairman
Dated: 17 July 2019