Metminco Limited ABN 43 119 759 349

REPORT FOR THE HALF YEAR ENDED

30 JUNE 2015

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HIGHLIGHTS

Los Calatos

- A revised mineral resource estimate was completed by SRK Consulting (Chile) S.A in accordance with the guidelines of the JORC Code (2012 Edition).
  - Total Mineral Resource of 352 million tonnes at 0.76% Cu and 318 ppm Mo at a 0.5% Cu cut-off, which comprises all resource categories.
- RungePincockMinarco completed a strategic mining study (Mining Study) on the new mineral resource and supporting Block Model.
- Key findings of the Mining Study support the economics of a high grade underground development option:
  - Estimated Mineable Quantity of 94 million tonnes at 0.88% Cu and 510 ppm Mo.
  - Life of mine of 17 years as a sub-level cave mining operation.
  - 6Mtpa milling rate at steady state producing on average 48,500 tonnes Cu in concentrate per annum.
  - Pre-production capital spend (non-optimised) of US$650 million.
  - C1 Cash Operating Cost of US$1.20/lb (including by-product credits).
  - EBITDA of US$2.8 billion.
  - Post tax NPV @ 8% of US$285 million with a 5.3 year payback.

Inferred Mineral Resources comprise 62% of the Mineable Quantity. There is a low level of geological confidence associated with Inferred Mineral Resources, and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Mollacas

- The Chilean Supreme Court informed the Company in early August 2015 that it would 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 been granted previously by a lower Chilean court.
- The Supreme Court's decision to grant MHC leave to appeal the IV Regions 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 have continued to evaluate other legal actions in parallel to seeking a negotiated settlement with the land owner for mining access to its Exploitation Concessions.
- 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.

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of the consolidated group, being Metminco Limited (Metminco or the Company) and its controlled entities (Consolidated Group or Metminco Group), for the half year ended 30 June 2015, as well as the Independent Review Report.

DIRECTORS

The following persons held the office of director during and since the half year ended 30 June 2015.

Timothy Read	Chairman
William Howe	Managing Director
Stephen Tainton	Executive Director
Phillip Wing	Non Executive Director
Francisco Vergara-Irarrazaval	Non Executive Director
Roger Higgins	Non Executive Director

COMPANY SECRETARY

Philip Killen was the Company Secretary for the half year ended 30 June 2015 and was in office at the date of this report.

OPERATING RESULTS

The loss of the Consolidated Group for the half year ended 30 June 2015 was A$1,929,717 (2014: loss of A$3,252,338) after providing for income tax.

REVIEW OF OPERATIONS

LOS CALATOS PROJECT

Metminco previously reported on the results of a Mining Scoping Study on Los Calatos completed initially by Ingeniería y Construcción Ltda and subsequently optimised by RungePincockMinarco (the "Optimised L3_Model") in August 2013. Based on information available at that time, the preferred mining scenario was to treat a Mineable Quantity of 811Mt at 0.48% copper and 0.03% molybdenum over a Life of Mine (LoM) of 34 years comprising a combined open pit and underground mining operation. At an average production rate of 24Mtpa, it was estimated that the operation would produce 98.4kt copper and 4.8kt molybdenum in concentrate per annum. Whilst the cash operating cost of US$1.12/lb after by-product credits was attractive, the operation required a pre-production capital expenditure of approximately US$1.3billion at that time.

In late 2014, the Company initiated a detailed drill core re-logging program aimed at mapping the geological features that control the distribution of the high grade mineralisation developed within the Los Calatos Porphyry Complex, and to produce a more comprehensive 3D Geological Model for resource estimation purposes. The ultimate aim of this program was to constrain the high grade zones, which would then form the subject of a lower tonnage (6Mtpa), higher grade (0.9% Cu) mining operation with a substantially lower pre-production capital expenditure.

Detailed re-interpretation of the Los Calatos Porphyry Complex

The porphyry complex is now known to have formed from five discrete magmatic phases, each comprising one or more separate intrusive events or pulses. Three of these phases contributed to the mineralisation present, of which two are associated with the development of hydrothermal breccias:

- Stage 1 (PD2) mineralisation: Potassic core is consistently mineralised at 0.2% to 0.4% Cu.

- Stage 2 (Dacite) mineralisation: The higher grade mineralisation is associated with anhydrite breccias that are rooted in dacitic dyke swarms. There are three NNW-SSE striking breccia zones that occur over a strike length of up to 1,500 metres, with widths of 50 to 600 metres, and depth extents in excess of 1,800 metres.
- Stage 3 (PD3) mineralisation: The mineralisation is of limited extent, being associated with small anhydrite breccia bodies flanking PD3 dykes.

As a result of the work completed, a series of laterally and vertically persistent hydrothermal breccias have been delineated which host the high grade copper and molybdenum mineralisation. Wireframe modelling of the bounding surfaces of the breccia zones was used to constrain the high grade mineralisation for resource estimation purposes. It is important to note that these zones fall within the confines of the more generalised constraining wireframe that was used for the 2013 Mineral Resource Estimate.

As mentioned above, the hydrothermal breccias extend from the surface to depths in excess of 1,800 metres. While the associated copper mineralisation has been leached by weathering processes from the uppermost 50 metres, it has been remobilised through supergene enrichment processes into a supergene zone which extends to depths ranging from 50 metres to 350 metres below surface. The supergene zone extends deeper within the more permeable breccias, resulting in significant copper grades associated with chalcocite mineralisation.

The detailed re-logging of the Los Calatos drill core culminated in the construction of a new 3D Geological Model for the Los Calatos Porphyry Complex which incorporates lithology type, alteration type, structure and mineral zones as the key elements of the model, and their influence on the distribution of the copper and molybdenum mineralisation.

The 3D Geological Model, and supporting database, was submitted to SRK Consulting (Chile) S.A. (SRK) for resource estimation purposes, which was completed in June 2015. The drill hole database comprises a total of 138 drill holes, of which 127 drill holes intersected the mineralised unit, and were thus used for resource estimation purposes.

Mineral Resource Estimate – June 2015

SRK Consulting (Chile) S.A. completed an updated Mineral Resource Estimate in accordance with the guidelines of the JORC Code (2012 Edition) in June 2015.

At a cut-off grade of 0.50% Cu, the Measured and Indicated Mineral Resource is 137 million tonnes at 0.73% Cu and 434 ppm Mo, with an Inferred Mineral Resource of 216 million tonnes at 0.78% Cu and 244 ppm Mo (Table 1).

Table 1: Mineral Resource Statement* for the Los Calatos Copper - Molybdenum Project, Peru. SRK Consulting (Chile) S.A., June, 2015.

Resource Classification	Tonnage (metric)	Cu (%)	Mo (ppm)
Measured	72,824,639	0.734	513
Indicated	63,700,257	0.733	345
Total Measured & Indicated	**136,524,896**	**0.734**	**434**
Inferred	215,769,978	0.776	245

***** *Reported at a 0.50% Cu cut-off.*

On completion of the Mineral Resource Estimate, the 3D Block Model developed by SRK was submitted to RungePincockMinarco (RPM) for the conduct of a Strategic Mining Study (Mining Study), which was to focus on the high grade hydrothermal breccias developed within the Los Calatos Porphyry Complex.

RPM Mining Study

RPM were provided with a Scope of Work which included the following guidelines, the focus of which was to evaluate a lower tonnage, high grade, development option for Los Calatos at a ±50% level of accuracy:

- Annual Tonnage: 6 Mtpa milling rate
- Head Grade: ±0.9% Cu
- Mining method: Select a suitable underground mining method and cut-off grade;
- Annual Concentrate Production: ±200
- ,000 dmt
- Annual Cu in Concentrate: ±50,000 tonnes
- Project Life: >15 Years.

Using as its basis the 3D Block Model developed by SRK, RPM evaluated the following three scenarios:

a) Case 1: Integrated Open Pit and Underground Mining Operation

The key elements of this case were as follows:

- Small open pit operation and underground sub-level cave operation based on a mineable quantity of 127 Mt at 0.81% Cu;
- Initiate sub-level caving at a 2,850mRL (approximately 150 metres below the topographic surface) to a final depth of 1,300mRL;
- Run-Of-Mine feed to the process plant of 6.5 Mtpa;
- Two year ramp-up period of 5 Mtpa and 6.5 Mtpa; and
- 20 year LoM.

b) Case 2: Standalone Underground Mining Operation

- Underground sub-level cave operation based on a mineable quantity of 94 Mt at 0.88% Cu (0.75% Cu cut-off);
- Initiate sub-level caving at a 2,850mRL (approximately 150 metres below the topographic surface) to a final depth of 1,500mRL;
- Run-Of-Mine feed to the process plant of 6 Mtpa;
- Three year ramp-up period of 3 Mtpa, 5 Mtpa and 6 Mtpa;
- 17 year LoM.

c) Case 3: Standalone Expanded Underground Mining Operation

- Underground sub-level cave operation based on a mineable quantity of 125 Mt at 0.82% Cu (0.70% Cu cut-off);
- Initiate sub-level caving at a 2,850mRL (approximately 150 metres below the topographic surface) to a final depth of 1,300mRL;
- Run-Of-Mine feed to the process plant of 6.5 Mtpa;
- Three year ramp-up period of 3 Mtpa, 5 Mtpa and 6.5 Mtpa;
- 20 year LoM.

Of the three Cases evaluated by RPM, Case 2 generated the most favourable economic results.

Case 2 - Alternate Case

As part of the Mining Study, and in order to develop an understanding of the production profile, and mineable quantity, RPM undertook an underground stope optimisation study, which included the following:

- Import the 3D Block Model provided by Metminco into a Vulcan stope optimiser;
- Define appropriate mining stope optimisation assumptions;
- Perform a high level underground stope optimisation based on the above assumptions;
- Determine the unconstrained *in-situ* stope tonnes; and
- Provide a high level schedule and economic evaluation of the project for each scenario for the purposes of a high-level margin ranking exercise.

On the basis of the work completed by RPM, a Mineable Quantity of 94Mt at 0.88% Cu and 0.051% Mo was estimated for Case 2 (Table 2). The analysis involved the full extent of the 3D Block Model, and all mineral resource categories were included in the estimation, as this is in line with a high level strategic mining study approach.

Table 2: Mineable Quantity by Mineral Resource Classification.

Mineral Resource Classification	Mt	Cu %	Mo %
Measured	18.35	0.813	0.074
Indicated	17.49	0.658	0.043
Inferred	58.12	0.968	0.046
Mineable Quantity	**93.96**	**0.880%**	**0.051%**

Note: Cut-off grade of 0.75% Cu.

As can be seen from Table 2 above, Inferred Mineral Resources comprise 62% of the estimated Mineable Quantity. Due to the low level of geological confidence associated with Inferred Mineral Resources, there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Furthermore, due to the level of the Mining Study and the associated technical and economic assessments, there is insufficient support for the estimation of Ore Reserves, or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Mining Study will be realised.

The production profile summarised in Figures 1 and 2 below, as well as operating and capital costs estimated by RPM and Metminco, formed the basis of an Indicative LoM Financial Model to evaluate the economic viability of the project.

DIRECTORS' REPORT (Cont'd)

Figure 1: Life of Mine Production Profile - Mineable Quantity and Cu & Mo Head Grades.

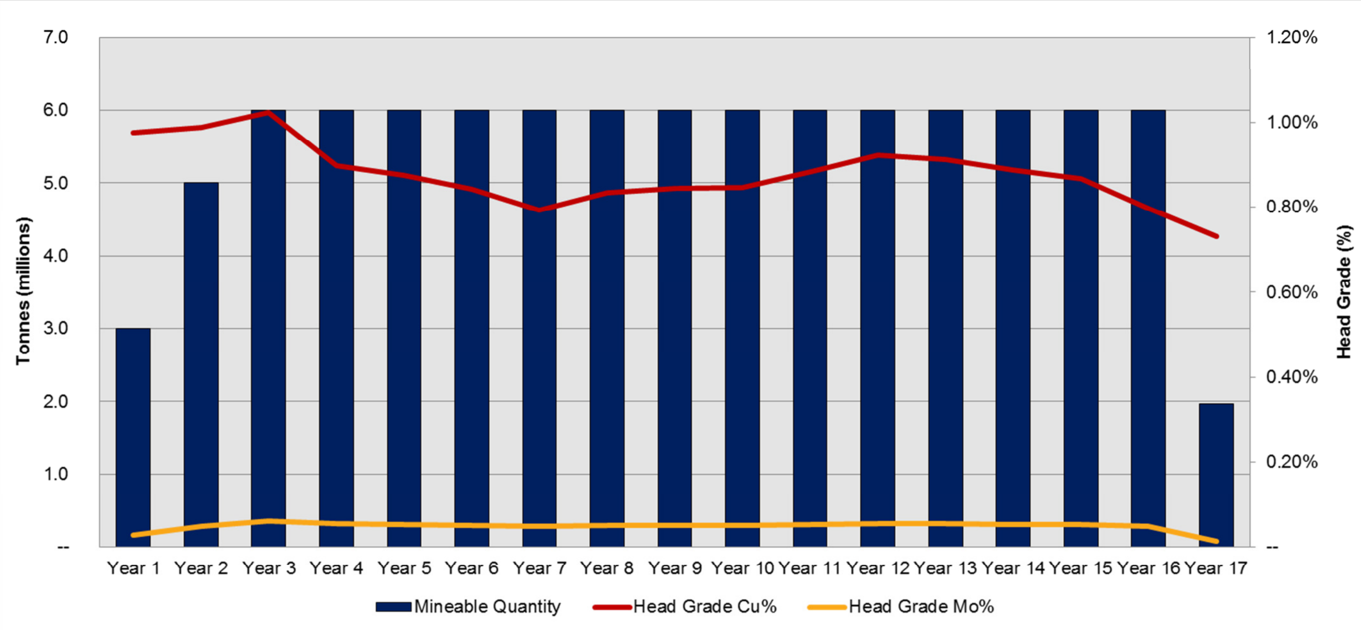
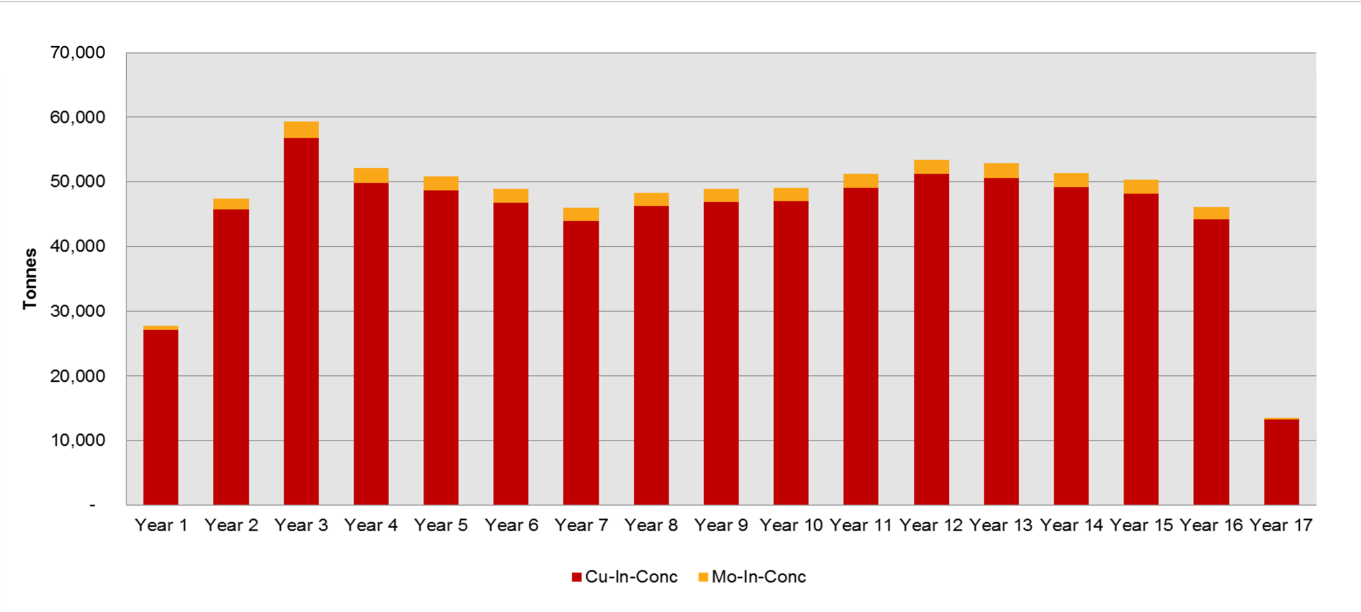


Figure 2: Life of Mine Production Profile – Annual Concentrate Production.



The results of the Financial Model are summarised in Table 3 below.

Table 3: Key Operating Parameters – Life of Mine (Case 2).

Economic Analysis	Units	Value
Mine Physicals		
Milled Grade Cu	%	0.880%
Recovery	%	92.50%
Milled Grade Mo	%	0.051%
Recovery	%	68.00%
Mineable Quantity	Mt	94.0

DIRECTORS' REPORT (Cont'd)

Economic Analysis	Units	Value
Production Rate	**mtpa**	**6.0**
Life of Mine	**years**	**17**
Product		
Copper in Concentrate	kt	765
Payable Copper	kt	738
Payable Molybdenum	kt	28
Payable Gold	koz	74
Payable Silver	koz	1,180
Payable Rhenium	(000's kg)	12
Financial		
Copper Price	US$ per lb	3.00
Molybdenum Price	US$ per lb	11.15
Gold Price	US$ per oz	1,250
Silver Price	US$ per oz	19.00
Rhenium Price	US$ per kg	5,773
Revenue		
Copper	US$ million	4,887
Molybdenum	US$ million	678
Gold	US$ million	92
Silver	US$ million	22
Rhenium	US$ million	68
Total Revenue	**US$ million**	**5,747**
Operating Costs		
Mining	US$ million	1,426
Milling	US$ million	590
G&A	US$ million	88
Treatment & Transport	US$ million	652
Subtotal - Operating Costs	US$ million	**2,756**
Unit Operating Cost [1]	**US$/t milled**	**29.33**
Royalties	**US$ million**	**204**
Cash Flow		
EBITDA	**US$ million**	**2,787**
Capital Expenditure [2]	**US$ million**	**918**
Unlevered Cash Flow (before tax)	**US$ million**	**1,709**
Unlevered Cash Flow (after tax)	**US$ million**	**1,189**
Net Present Value @ 8% (unfinanced after tax)	**US$ million**	**285**
Payback	**Years**	**5.3**

[1] *C1 Cash Operating Cost after by-product credits of US$1.20/lb.*

[2] *Pre-production capital expenditure of US$650 million.*

2015 MINING STUDY PRESENTS AN ECONOMICALLY VIABLE HIGH GRADE MINING ALTERNATIVE

The 2013 Mining Study completed by RPM evaluated Los Calatos as a high tonnage, low grade, mining opportunity with an average annual milling rate of 24Mtpa producing 98.4kt per annum of copper in concentrate over a LoM of 34 years, with a pre-production capital spend of US$1.32bn (2013 money terms). Further, the LoM C1 cash operating costs net of by-product credits were estimated at US$1.12/lb copper.

By comparison, the 2015 Mining Study completed by RPM focussed on the high grade hydrothermal breccias developed within the Los Calatos Porphyry Complex, which were the subject of the June 2015 Mineral Resource Estimate by SRK. Case 2 of the RPM Mining Study provides for an annual milling rate of 6Mtpa (25% of the 2013 milling rate) producing (on average) 45kt per annum of copper in concentrate (46% of the 2013 production) over a 17 year LoM, with a pre-production capital spend of US$650m (50% of the 2013 capital spend). Further, C1 cash operating costs after by-product credits increased marginally to US$1.20/lb mainly due to the lower prices used for by-products. A comparison of the two studies is provided in the table below.

Table 4: Comparison of key operating parameters – August 2013 and July 2015 Mining Studies.

Key Parameter	RPM Mining Study	
	August 2013 *Open pit & Underground*	**July 2015** *Underground*
Mineable Quantity	811Mt	94Mt
Head Grade	0.47% Cu; 0.029% Mo	0.88% Cu; 0.051% Mo
Milling Rate	24Mtpa	6Mtpa
Life of Mine	34 years	17 years
Average annual copper in concentrate	98.4kt	45.0kt
Average annual molybdenum in concentrate	4.8kt	1.9kt
Pre-production capital	US$1.32bn	US$650m
C1 cash operating costs (after by-product credits)	US$1.12/lb Cu	US$1.20/lb Cu

With a substantially lower pre-production capital requirement, and the favourable development status of the project, Los Calatos becomes an attractive development option in a resource sector that is focused on minimising capital spend, attaining above average copper grades, and achieving C1 cash operating costs in the lowest quartile of global copper producers.

The conversion rate from mineral resources to tonnes mined in this study (viz. Mineable Quantity) at a cut-off grade of 0.75% Cu, is approximately 73% (or 94Mt from a total mineral resource of 129Mt). Given an increasing copper price, there is considerable upside to increase the size of the operation. For instance, at a lower copper cut-off grade of 0.50% copper, the total mineral resource for Los Calatos is 352Mt at 0.76% Cu and 318ppm Mo.

PROJECT IS HIGHLY DELIVERABLE

The development of Los Calatos is deliverable due to a number of important factors, namely:

Social Licence

- No exposure to local potable water issues.
- No competing land use.
- All surface rights covering the project will be acquired directly from the Peruvian government - *Project of National Interest* status.

Access to Power and Water

- Use of seawater for the operations – access via a 75km pipeline.
- Located in southern Peru with estimated long term power costs of 6 cents/kWh.
- Power to be accessed via a dedicated 32km power line from Moquegua.

Regional Infrastructure

- Modest elevation (2,900m amsl) capable of supporting year round operations.
- Close proximity to the regional city of Moquegua (65km).
- Large available work force in historical mining district.
- Close proximity to port facilities accessible via the Pan American highway (e.g. loading facility at Matarani).

Exploration Targets TD2 and TD3 provide upside potential

The re-logging and re-interpretation of the Los Calatos drill core has resulted in the development of a structural model for the evolution of the Los Calatos Porphyry Complex, and related mineralisation. As a consequence, certain of the prior eight exploration targets have now been placed in their correct geological context.

One such target is the TD2 Target some 600 metres to the southwest of the Los Calatos deposit, where a field inspection of the area has revealed the presence of outcropping hydrothermal breccias containing chrysocolla (hydrated copper cyclosilicate) mineralisation. In addition, the presence of cryptocrystalline quartz is indicative of the upper levels of a hydrothermal system that has possibly developed above a porphyry system.

Based on the results of the Mining Study, the Company is positioned to initiate a development program that progresses the project through to Feasibility, subject to the availability of funding.

Furthermore, an in-fill drilling program has been planned which is required to advance the current mineral resource to Measured and Indicated Mineral Resource categories for that part of the mineral resource that is to be mined in the first 10 years of the LoM. The drill program will also facilitate the collection of appropriate metallurgical samples, in addition to the geotechnical information required for the development of the underground mining operation (viz. sub-level cave stopes and planned underground development).

Exploration drilling at the TD2 hydrothermal breccia target adjacent to the main Los Calatos deposit remains a priority, as any resources discovered would complement the abovementioned development at Los Calatos.

An environmental baseline study will also be initiated and will accommodate the legislated requirements for the completion of an Environmental Impact Assessment.

MOLLACAS PROJECT

The Chilean Supreme Court informed Metminco in early August 2015 that it would hear an appeal by MHC, a wholly owned subsidiary of Metminco Limited. The appeal follows 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 been granted previously by a lower Chilean court.

The Supreme Court's decision to grant Metminco 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 development of the project.

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.

OTHER PROJECTS

During the half year ended 30 June 2015, the Company undertook minimal work at its Vallecillo and Loica projects due to prioritisation of funding.

CORPORATE

Half Year Result

The Consolidated Group reported an after tax loss for the half year ended 30 June 2015 of A$1,929,717. During the period, the Company focused on progressing its 100% owned Los Calatos Project and the evaluation of acquisition opportunities with potential for a near term cash flow. At Mollacas the focus was on securing mining access rights. Minimal work was undertaken at the Company's other projects, Vallecillo and Loica.

The loss included a write off of A$512,567 consisting of evaluation and due diligence expenditure (A$398,084) and exploration expenditure (A$114,483). The Company undertook evaluation and due diligence work on several potential near term cash flow opportunities. As at balance date, the Company had not entered into an agreement and as such, expenditure incurred was written off.

During the half year the Company restructured its Australian and Peruvian operations at a cost of A$395,012 with the full benefits of the restructure to flow through in the third quarter of 2015 and thereafter. The restructure was undertaken to maximise the value of expenditure incurred, while at the same time maintaining capacity to progress the Los Calatos Project and to pursue the acquisition of a near term cash flow opportunity.

Cash Position and Funding

During the half year ended 30 June 2015, Metminco's cash position increased from approximately A$1.2 million to A$2.0 million due to capital raisings of approximately A$4 million (after costs and the project and corporate expenditure as discussed above).

Placement

The Company completed a capital raising of approximately A$1 million (the Placing) by issue of 179,191,151 new fully paid ordinary shares (Shares) at a price of A$0.006 (£0.003) per Share. The Placing comprised the issue on 18 February 2015 of 75,335,833 Shares under ASX Listing Rule 7.1 and Conditional Shares (103,855,318 Shares) approved by shareholders at a general meeting of shareholders on 24 March 2015. Under the Placing 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 was issued with each Share. All Directors participated in the Placing subscribing for a total of 54,375,000 Shares to raise approximately A$325,000.

Rights Issue

During the period the Rights Issue dated 1 April 2015 raised approximately A$2.8 million before costs, with 99% of the entitlements being taken up under the offer and subsequent placement of the shortfall. A total of 560,321,468 fully paid ordinary shares (Share) at an issue price of A$0.005 (£0.0026) per Share and 560,321,468 options to aquire one Share at an exercise price of A$0.005 (£0.0026) per Share expiring 15 May 2016 were issued. The remaining shortfall of 5,310,218 shares (A$26,551) was placed on 13 August 2015.

Exercise of Options

Directors' and Management of the Company exercised 33,358,334 options at A$0.006 (GBP£0.003) per Share expiring 27 June 2015 and 1,182,054 options at A$0.005 (GBP£0.0026) per share expiring 15 May 2016 to raise A$206,061. Other option holders exercised 276,995 at A$0.005 (GBP£0.0026) per Share expiring 15 May 2016 to raise A$1,385.

Expiry of Options

The following options lapsed unexercised during the June 2015 quarter:

- 75,335,833 options to acquire one Share at an exercise price of A$0.006 (£0.003) per Share expiring 20 May 2015;
- 70,496,984 to acquire one Share at an exercise price of A$0.006 (£0.003) per Share expiring 27 June 2015;
- 2,000,000 to acquire one Share at an exercise price of A$0.175 per Share expiring 15 June 2015; and
- 2,000,000 to acquire one Share at an exercise price of A$0.210 per Share expiring 15 June 2015.

Funding

As stated in the Notes to the Financial Statements, Metminco is an exploration Company currently without an operating cash inflow and the net cash position of the Group will continue to decrease until such time as the Group has an operating cash inflow. The Company is in discussions with a number of potential partners for the Los Calatos Project as well pursuing other funding alternatives. Further the Company's development and capital raising options are increased with the potential advancement of mining access for its wholly owned Mollacas Project. In addition to potential capital raising strategies, the Company also has near to or in the money unlisted options which if exercised in full would raise A$2.8 million.

General Meeting

A General Meeting of shareholders was held on 24 March 2015 at which shareholders ratified the prior issue of Shares and options in accordance with ASX Listing Rule 7.4 and approved the Conditional Placement including the issue of Shares and options to Directors.

Annual General Meeting

The Company's Annual General Meeting of shareholders for the year ended 31 December 2014 was held at 56 Berry St, North Sydney NSW 2060 on Thursday, 28 May 2015. All resolutions put before the Annual General Meeting were approved by shareholders.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Matters that have arisen in the interval between the end of the half year and the date of this report of a material or unusual nature are as follows:

- On 27 July 2015 the Company announced the results of a mining study that focused on a high grade mining operation at Los Calatos, which provides for an annual milling rate of 6Mtpa producing 45kt per annum of copper in concentrate over a 17 year LoM, with a pre-production capital spend of US$650m, C1 cash operating costs after by-product credits of US$1.20/lb and an NPV (using the forecast long term median copper price of US$3.00 /lb and discount rate 8%) of US$285 million.

- On 11 August 2015 the Supreme Court of Chile granted Minera Hampton Chile Limitada ("MHC"), a wholly owned subsidiary of Metminco Limited and owner of the Mollacas Project, leave to appeal an earlier ruling by the Court of Appeal of the IV Region that extinguished the Company's mining access rights to the Mollacas Project previously been granted by a lower Chilean court.

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 Mineral Resource of 73 million tonnes at 0.73% Cu and 513 ppm Mo, an Indicated Mineral Resource of 64 million tonnes at 0.73% Cu and 345 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 at 0.51% Cu and 0.13g/t Au (cut-off grade of 0.2% Cu) consisting of a Measured Mineral Resource of 11.2 million tonnes at 0.55% Cu and 0.12g/t Au and an Indicated Mineral Resource of 4.3 million tonnes at 0.41% Cu and 0.14g/t Au; and the Vallecillo Project with a Mineral Resource of 8.9 million tonnes at 0.80g/t Au, 9.94g/t Ag, 1.0% Zn, 0.32% Pb (cut-off grade of 0.2g/t Au), consisting of a Measured Mineral Resource of 5.5 million tonnes at 0.84g/t Au, 9.99g/t Ag, 1.12% Zn and 0.32% Pb, an Indicated Mineral 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 Mineral Resource of 0.8 million tonnes at 0.50g/t Au, 8.62g/t Ag, 0.48% Zn and 0.17% Pb.

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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under S307C of the Corporations Act 2001, is set out on page 14 of this financial report, and forms part of this Directors' Report.

This report is signed in accordance with a resolution of the Board of Directors.

Phillip J. Wing.

Phillip J Wing, Director

Dated: 2 September 2015

Grant Thornton

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Auditor's Independence Declaration
To The Directors of Metminco Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Metminco Limited for the half-year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 2 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2015

	Note	30 June 2015 $	30 June 2014 $
Revenue - interest income		3,340	7,332
Foreign exchange (loss)		(270,194)	(453,835)
Administration expenses		(131,645)	(122,832)
Corporate expenses		(880,223)	(1,472,706)
Occupancy expense		(138,428)	(138,120)
Exploration expenditure written off	4	(114,483)	(903,961)
Evaluation and due diligence expenses		(398,084)	(168,216)
Loss before income tax	2	**(1,929,717)**	**(3,252,338)**
Income tax expense		–	–
Loss for the period from continuing operations		**(1,929,717)**	**(3,252,338)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign controlled entities	8	5,088,415	(4,096,782)
Total comprehensive income/(loss) for the period		**3,158,698**	**(7,349,120)**
Loss attributable to:			
Members of the parent entity		(1,929,717)	(3,252,338)
		(1,929,717)	**(3,252,338)**
Total comprehensive income/(loss) attributable to:			
Members of the parent entity		3,158,698	(7,349,120)
		3,158,698	**(7,349,120)**
Loss per share			
From continuing operations:			
Basic loss per share (cents)	9	(0.09)	(0.19)
Diluted loss per share (cents)	9	(0.09)	(0.19)

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	30 June 2015 $	31 December 2014 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,990,493	1,192,693
Trade and other receivables	7	394,663	316,471
Other assets		17,557	30,990
TOTAL CURRENT ASSETS		**2,402,713**	**1,540,154**
NON-CURRENT ASSETS			
Trade and other receivables	7	4,966,838	4,878,723
Property, plant and equipment	3	4,247,086	4,124,135
Exploration and evaluation expenditure	4	199,727,896	193,531,440
TOTAL NON-CURRENT ASSETS		**208,941,820**	**202,534,298**
TOTAL ASSETS		**211,344,533**	**204,074,452**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	595,510	472,705
Short-term employee benefits	6	212,219	308,888
TOTAL CURRENT LIABILITIES		**807,729**	**781,593**
NON-CURRENT LIABILITIES			
Long-term employee benefits	6	100,151	47,224
TOTAL NON-CURRENT LIABILITIES		**100,151**	**47,224**
TOTAL LIABILITIES		**907,880**	**828,817**
NET ASSETS		**210,436,653**	**203,245,635**
EQUITY			
Issued capital	11	322,709,356	318,677,036
Other reserves		(21,737,861)	(26,640,427)
Accumulated losses		(90,534,842)	(88,790,974)
TOTAL EQUITY		**210,436,653**	**203,245,635**

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2015

	Note	Issued Capital	Accumulated Losses	Option Reserve	Foreign Currency Translation Reserve	Acquisition Reserve	Total
		$	$	$	$	$	$
Balance at 1 January 2014		**317,607,678**	**(79,104,278)**	**3,435,147**	**8,466,108**	**(41,506,662)**	**208,897,993**
Loss attributable to members of the parent entity		_	(3,252,338)	_	_	_	(3,252,338)
Other comprehensive income		_	_	_	(4,096,782)	_	(4,096,782)
Total comprehensive income for the period		_	(3,252,338)	_	(4,096,782)	_	(7,349,120)
Balance at 30 June 2014		**317,607,678**	**(82,356,616)**	**3,435,147**	**4,369,326**	**(41,506,662)**	**201,548,873**
Balance at 1 January 2015		**318,677,036**	**(88,790,974)**	**253,594**	**14,612,641**	**(41,506,662)**	**203,245,635**
Loss attributable to members of the parent entity		_	(1,929,717)	_	_	_	(1,929,717)
Other comprehensive income		_	_	_	5,088,415	_	5,088,415
Total comprehensive income for the period		_	(1,929,717)	_	5,088,415	_	3,158,698
Shares issued during the period		4,193,584	_	_	_	_	4,193,584
Transaction costs		(161,264)	_	_	_	_	(161,264)
Options lapsed during the year		_	185,849	(185,849)	_	_	_
Balance at 30 June 2015		**322,709,356**	**(90,534,842)**	**67,745**	**19,701,056**	**(41,506,662)**	**210,436,653**

These financial statements should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2015

	Note	30 June 2015 $	30 June 2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(941,062)	(1,651,329)
Evaluation and due diligence expenses *		(398,084)	(903,961)
Interest received		3,340	7,332
Net cash used in operating activities		**(1,335,806)**	**(2,547,958)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6,539)	(148,380)
Payments for exploration expenditure		(1,621,981)	(1,344,873)
Recovery of VAT in Peru		–	130,580
Net cash used in investing activities		**(1,628,520)**	**(1,362,673)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		4,193,584	–
Payments in respect to capital raisings		(161,264)	–
Net cash provided by financing activities		**4,032,320**	**–**
Net increase/(decrease) in cash held		**1,067,994**	**(3,910,631)**
Cash and cash equivalents at beginning of financial period		1,192,693	7,807,995
Effect of exchange rates on cash holdings in foreign currencies		(270,194)	(453,832)
Cash and cash equivalents at end of financial period		**1,990,493**	**3,443,532**

* During the half year ended 30 June 2015 the Company undertook evaluation and due diligence work on selected mining projects with a view to acquiring a near term cash flow. As at balance date the Company had not entered into a binding agreement with respect to a potential acquisition and accordingly the Company has written off $398,084 incurred for the period ended 30 June 2015 (2014:$ 903,961).

These financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 1: BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

Reporting entity

Metminco Limited is a company domiciled in Australia. The consolidated interim financial report of the Company for the half-year ended 30 June 2015 comprises the Company and its controlled entities, and is presented in Australian dollars, which is the functional currency of the parent company.

The consolidated annual financial report of the consolidated entity for the period ended 31 December 2014 is available upon request from the Company's registered office at Level 6, 122 Walker St, North Sydney 2060, Australia or from the Company's website at www.metminco.com.au.

The interim financial report has been prepared on an accruals basis and is prepared the under historical cost convention, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue by the directors on 2 September 2014.

Statement of Compliance

This general purpose financial report for the half year ended 30 June 2015 has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2014 and any public announcements made by Metminco Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Significant Accounting Policies

The accounting policies applied by the consolidated entity in this condensed consolidated interim financial report are consistent with those applied by the consolidated entity in its annual financial report for the year ended 31 December 2014 other than as stated below.

Going concern basis of accounting

The Consolidated Group incurred a net loss of $1,929,717, has net cash used in operations (including payments for exploration) of $2,964,326 during the half-year ended 30 June 2015 and has a cash balance of $1,990,493 as at that date. Metminco is an exploration Company currently without an operating cash inflow and the net cash position of the Group will continue to decrease until such time as the Group has an operating cash inflow. These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern and, therefore, that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

During the half year ended 30 June 2015 the Company raised $4 million through placements and a rights issue. On 27 July 2015 the Company announced completion of the Los Calatos Mining Study which demonstrated the economic potential for a higher grade development option for the Company's wholly owned Los Calatos Project. The Company is in discussions with a number of potential partners for the Los Calatos Project as well pursuing other funding alternatives. Further the Company's development and capital raising options are increased with the potential advancement of mining access for its wholly owned Mollacas Project. In addition to potential capital raising strategies, the Company also has near to or in the money unlisted options which if exercised by the option holders in full would raise A$2.8 million.

The Directors are satisfied that the Company and Group have sufficient cash reserves together with its strategies as alluded to above to maintain its current portfolio and meet its debts as and when they fall due. Therefore these financial statements have been prepared on a going concern basis.

NOTE 2: LOSS FOR THE PERIOD

	6 months ended 30 June 2015 $	6 months ended 30 June 2014 $
Expenses:		
Expenses from continuing operations:		
Employee and directors' benefits expense	(507,608)	(780,775)
Depreciation and amortisation	(94,487)	(133,860)

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 3: PROPERTY PLANT & EQUIPMENT

	30 June 2015 $	31 December 2014 $
Land		
At cost	3,691,039	3,464,309
Total land	**3,691,039**	**3,464,309**
Plant and equipment		
At cost	2,140,148	2,035,184
Accumulated depreciation	(1,584,101)	(1,375,358)
Total plant and equipment	**556,047**	**659,826**
Total property, plant and equipment	**4,247,086**	**4,124,135**

Reconciliations

Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below:

Land		
Carrying amount at beginning of period	3,464,309	3,184,369
Impact of foreign exchange movement on balance at beginning of period	226,730	279,940
Carrying amount of plant and equipment at end of period	**3,691,039**	**3,464,309**
Plant and equipment		
Carrying amount at beginning of period	659,826	914,228
Additions	6,539	13,553
Impact of foreign exchange movement on balance at beginning of period	(15,831)	(34,507)
Depreciation	(94,487)	(233,448)
Carrying amount of plant and equipment at end of period	**556,047**	**659,826**
Carrying amount at end of period	**4,247,086**	**4,124,135**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 4: EXPLORATION AND EVALUATION

	30 June 2015 $	31 December 2014 $
Costs carried forward in respect of areas of interest in:		
– exploration and evaluation phases	199,727,896	**193,531,440**
Reconciliations		
Carrying amount at the beginning of the period	193,531,440	192,301,260
Expenditure incurred during the period	1,860,014	2,915,272
Impact of foreign exchange movement during the period	4,450,925	5,519,476
Evaluation and exploration written off *	(114,483)	(7,204,568)
Carrying amount at the end of the half year	**199,727,896**	**193,531,440**

* The Company has written off exploration expenditure of $114,483 incurred for the period ended 30 June 2015. The write down for the year ended 31 December 2014 was $7,204,568 consisting of Vallecillo Project ($5,101,672), Loica Project ($2,051,837), Isidro Project ($22,926) and other projects ($28,133).

Recoverability of the carrying amount of exploration assets is dependent upon the successful recovery of ore reserves.

Capitalised costs amounting to $1,860,014 for the period ended 30 June 2015 (for the year ended 31 December 2014: $2,915,272) have been included in cash flows from investing activities.

NOTE 5: TRADE AND OTHER PAYABLES

	30 June 2015 $	31 December 2014 $
Trade payables	169,536	142,053
Other payables and accrued espenses	425,974	330,652
	595,510	**472,705**

NOTE 6: EMPLOYEE BENEFITS

	SHORT-TERM EMPLOYEE BENEFITS	
Consolidated Group		
Balance at the beginning of the reporting period	308,888	280,044
(Provisions utilised) / Additional Provisions	(96,669)	28,844
Balance at the end of the reporting period	**212,219**	**308,888**

	LONG-TERM EMPLOYEE BENEFITS	
Balance at the beginning of the reporting period	47,224	–
Additional Provisions	52,927	47,224
Balance at the end of the reporting period	**100,151**	**47,224**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 7: TRADE AND OTHER RECEIVABLES

CURRENT	30 June 2015 $	31 December 2014 $
Other receivables	208,229	160,879
IGV receivables *1	186,434	155,592
Total current trade and other receivables	**394,663**	**316,471**
NON-CURRENT		
IGV receivables *2	4,966,838	4,878,723
Total non-current trade and other receivables	**4,966,838**	**4,878,723**

*1 VAT receivables – current is IGV (Peruvian equivalent of VAT) incurred by Hampton Peru relating to the Los Calatos Project for the current period. Hampton Peru has been approved by the Peruvian Mining Department to recover IGV paid on direct expenditure incurred on the Los Calatos Project until 31 December 2014. It is anticipated that the Peruvian government will pass legislation extending the term. Hampton Peru has recovered in full all IGV paid with respect to the Los Calatos Project until 31 December 2013 (NB: The A$ value of Peruvian VAT is subject to the movement in the foreign exchange rate).

*2 VAT receivables – non-current is IGV and IVA (Chilean equivalent of VAT) incurred by Hampton Peru and Hampton Chile which is recoverable against VAT received from sales and/or exports in the respective tax jurisdictions.

NOTE 8: FOREIGN EXCHANGE RESERVE

During the half year ended 30 June 2015 the AUD depreciated against the USD by 6.54% resulting in a foreign exchange reserve gain of $5,088,415. (During the half year to 30 June 2014 the AUD recovered against the USD by 5.80% resulting in a foreign exchange reserve loss of $4,096,782).

	6 months ended 30 June 2015			6 months ended 30 June 2014		
Date	31/12/2014	30/06/2015	% change	31/12/2013	30/06/2014	% change
AUD/USD	0.8156	0.7655	-6.54%	0.8873	0.9419	5.80%

NOTE 9: LOSS PER SHARE

		6 months ended 30 June 2015 $	6 months ended 30 June 2014 $
a.	**Reconciliation of earnings to loss**		
	Loss	(1,929,717)	(3,252,338)
	Loss attributable to minority equity interest	–	–
	Loss used in the calculation of basic and dilutive EPS	**(1,929,717)**	**(3,252,338)**
		30 June 2015 No.	**30 June 2014 No.**
b.	**Weighted average number of ordinary shares outstanding during the full year used in calculating basic EPS**	2,069,135,522	1,749,543,023
	Weighted average number of dilutive options outstanding	–	–
c.	**Anti-dilutive options on issue not used in dilutive EPS calculation**	563,862,419	9,500,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 10: DIVIDENDS

The company resolved not to pay or declare any dividends in the period ended 30 June 2015 (2014: $ nil).

NOTE 11: ISSUED CAPITAL

	30 June 2015 $	31 December 2014 $
2,649,891,283 (31 December 2014: 1,855,516,023) fully paid ordinary shares	**322,709,356**	**318,677,036**

a. Movements in ordinary share capital (No. Shares)	**No. Shares**	**No. Shares**
Balance at beginning of the reporting period	**1,855,516,023**	**1,749,543,023**
Shares issued		
- 5-Aug-14	–	12,786,097
- 29-Aug-14	–	15,689,942
- 1-Oct-14	–	18,362,480
- 6-Nov-14	–	26,233,318
- 8-Dec-14	–	32,901,163
- 20-Feb-15	75,335,833	–
- 27-Mar-15	103,855,318	–
- 27-Mar-15	20,045,258	–
- 15-May-15	252,918,606	–
- 18-May-15	62,717,362	–
- 4-Jun-15	40,096,554	–
- 16-Jun-15	70,059,750	–
- 24-Jun-15	33,358,334	–
- 24-Jun-15	1,182,054	
- 26-Jun-15	134,806,191	–
At the end of the reporting period	**2,649,891,283**	**1,855,516,023**

b. Movements in ordinary share capital ($)	**$**	**$**
Balance at beginning of the reporting period	**318,677,036**	**317,607,678**
Shares issued		
- 5-Aug-14	–	265,957
- 29-Aug-14	–	268,298
- 1-Oct-14	–	284,343
- 6-Nov-14	–	286,599
- 8-Dec-14	–	296,933
- 20-Feb-15	450,136	–
- 27-Mar-15	620,542	–
- 27-Mar-15	111,135	–
- 15-May-15	1,265,860	–
- 18-May-15	313,883	–
- 4-Jun-15	200,672	–
- 16-Jun-15	350,629	–
- 24-Jun-15	200,150	–
- 24-Jun-15	5,910	
- 26-Jun-15	674,667	–
Costs of capital raising	(161,264)	(332,772)
At the end of the reporting period	**322,709,356**	**318,677,036**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 11: ISSUED CAPITAL (Cont'd)

On 20 February 2015 the Company issued 75,335,833 shares at A$0.006 (GBP£0.003) by way of private placement to sophisticated and professional investors to raise A$450,136.

On 27 March 2015 the Company issued 103,855,318 shares at A$0.006 (GBP£0.003) by way of private placement to sophisticated and professional investors to raise A$620,542.

On 27 March 2015 the Company issued 20,045,258 shares at approximately A$0.0055 in lieu off termination payments of A$111,135.

On 15 May 2015 the Company issued 252,918,606 shares at A$0.005 (GBP£0.0026) on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$1,265,860.

On 18 May 2015 the Company issued 62,717,362 shares at A$0.005 (GBP£0.0026) pursuant to placement of the rights issue shortfall on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$313,883.

On 4 June 2015 the Company issued 40,000,000 shares at A$0.005 (GBP£0.0026) shares pursuant to placement of the rights issue shortfall and 96,554 shares at A$0.005 (GBP£0.0026) through exercise of rights Issue options on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$200,672.

On 16 June 2015 the Company issued 70,059,750 shares at A$0.005 (GBP£0.0026) on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$350,629.

On 24 June 2015 the Company issued 33,358,334 shares at A$0.006 (GBP£0.003) pursuant to exercise of placement options to raise A$200,150.and 1,182,054 shares at A$0.005 (GBP£0.0026) pursuant to exercise of rights Issue options on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$5,910.

On 26 June 2015 the Company issued 134,680,000 shares at A$0.005 (GBP£0.0026) pursuant to placement of the rights issue shortfall and 126,191 shares pursuant to exercise of rights Issue options on terms set out in the rights issue prospectus dated 1 April 2015 to raise A$674,667.

NOTE 12: CAPITAL AND LEASING COMMITMENTS

		30 June 2015 $	31 December 2014 $
a)	**Operating Lease Commitments**		
	Non-cancellable operating leases contracted for but not capitalised in the financial statements		
	Payable - minimum lease payments		
-	not later than 12 months	120,066	170,943
-	between 12 months and 5 years	–	32,364
-	greater than 5 years	–	–
		120,066	**203,307**

The Group has non-cancellable leases over six premises in Australia, Chile and Peru with terms ranging from 1 to 9 months. Rent is payable monthlty in advance.

		30 June 2015 $	31 December 2014 $
b)	**Exploration Tenement Licence Commitments**		
	Mining and exploration licence fees for tenements held by the Group but not yet capitalised in the financial statements		
	Payable minimum lease payments		
-	not later than 12 months	**267,894**	**251,438**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 13: OTHER COMMITMENTS AND CONTINGENT LIABILITIES

Minera Hampton Chile Limitada ("MHC"), wholly owned subsidiary of the Company and owner of the Mollacas Project, is seeking mining access rights at the Mollacas Project through the courts and in parallel by direct negotiation with the owner of the surface titles.

As at the date of this report the matter is before the Chilean Supreme Court ("Supreme Court") with the Supreme Court anticipated to hand down its decision by early 2016. MHC has appealed a ruling by the Court of Appeal of the IV Region, Chile that MHC's First Easement Extension, which would have enabled MHC to engage in mining activities at the Mollacas Project, was established over "planted" lands, without the surface title owner's permission and, thus, was invalid.

MHC 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 mining operation will be located on Company owned land. In addition, Metminco also owns water rights to approximately 175 litres/sec from two canals.

NOTE 14: SEGMENT REPORTING

The Consolidated Group's primary activity is mineral exploration in the geographic area of South America. This focus is consistent with the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily for the sole purpose of mineral exploration.

	MINERAL EXPLORATION		UNALLOCATED		Total	
a. Segment performance	**30 June 2015 $**	**30 June 2014 $**	**30 June 2015 $**	**30 June 2014 $**	**30 June 2015 $**	**30 June 2014 $**
Other income	0	2,095	3,340	5,237	3,340	7,332
Total segment revenue	0	2,095	3,340	5,237	3,340	7,332
Total group revenue	0	2,095	3,340	5,237	**3,340**	**7,332**
Segment gain/(loss) before tax	(750,650)	(561,567)	(1,179,067)	(2,690,771)	(1,929,717)	(3,252,338)
Gain/(loss) before tax from continuing operations	(750,650)	(561,567)	(1,179,067)	(2,690,771)	**(1,929,717)**	**(3,252,338)**
Depreciation and amortisation expense included in segement result	**(71,737)**	**(60,217)**	**(22,750)**	**(73,643)**	**(94,487)**	**(133,860)**
Impairment loss	(114,483)	(1,072,177)	–	–	(114,483)	(1,072,177)
b. Segment assets	**30 June 2015 $**	**31 December 2014 $**	**30 June 2015 $**	**31 December 2014 $**	**30 June 2015 $**	**31 December 2014 $**
Segment assets	207,478,527	201,812,825	3,866,006	2,261,627	211,344,533	204,074,452
Segment asset increases for the period						
– capital expenditure	1,864,182	2,927,863	2,371	962	1,866,553	2,928,825
	1,864,182	**2,927,863**	**2,371**	962	**1,866,553**	**2,928,825**
c. Segment liabilities						
Segment liabilities	235,703	265,946	672,178	562,872	907,881	828,817
Reconciliation of segment liabilities to group liabilities						
-Total group liabilities	**235,703**	**265,946**	**672,178**	**562,872**	**907,881**	**828,817**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2015

NOTE 14: SEGMENT REPORTING (Cont'd)

d. Interest income by geographical region

Revenue is disclosed below, based on the location :

	30 JUNE 2015 $	30 JUNE 2014 $
Australia	3,340	5,237
South America	–	2,095
Total revenue	**3,340**	**7,332**

e. Assets by geographical region

The location of segment assets by geographical location of the assets is disclosed below:

	30 JUNE 2015 $	31 DECEMBER 2014 $
Australia	3,866,006	2,261,627
Peru	160,017,436	155,010,858
Chile	47,461,091	46,801,967
Total assets	**211,344,533**	**204,074,452**

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

Matters that have arisen in the interval between the end of the half year and the date of this report of a material or unusual nature are as follows:

a) On 27 July 2015 the Company announced the results of a mining study focusing on a high grade mining operation at Los Calatos which provides for an annual milling rate of 6Mtpa producing 45kt per annum of copper in concentrate over a 17 year LoM, with a pre-production capital spend of US$650m, C1 cash operating costs after by-product credits of US$1.20/lb and an NPV (using the forecast long term median copper price of US$3.00 /lb and discount rate 8%) of US$285 million.

b) On 11 August 2015 the Supreme Court of Chile granted Minera Hampton Chile Limitada ("MHC"), a wholly owned subsidiary of Metminco Limited and owner of the Mollacas Project, leave to appeal an earlier ruling by the Court of Appeal of the IV Region that extinguished the Company's mining access rights to the Mollacas Project previously been granted by a lower Chilean court.

DIRECTORS' DECLARATION

In the opinion of the Directors of Metminco Limited:

1) The consolidated financial statements of Metminco Limited are in accordance with the Corporations Act 2001, including:

   a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and

   b) giving a true and fair view of the financial position as at 30 June 2015 and of its performance for the half-year ended on that date.

2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Phillip J. Wing.

Phillip J Wing

Dated this 2nd day of September 2015

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Independent Auditor's Review Report
To the Members of Metminco Limited

We have reviewed the accompanying half-year financial report of Metminco Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Metminco Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Metminco Limited consolidated entity's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations

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Regulations 2001. As the auditor of Metminco Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Metminco Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of matter – going concern

Without qualification to the conclusion expressed above, we draw attention to Note 1 to the financial report which indicates the consolidated entity incurred a net loss of $1,929,717, has net cash used in operations (including payments for exploration) of $2,964,326 during the half-year ended 30 June 2015 and has a cash balance of $1,990,493 as at that date. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

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GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 2 September 2015