

METMINCO LIMITED

ACN 119 759 349

ENTITLEMENT OFFER PROSPECTUS

This Prospectus includes the following offers:

- (a) A renounceable entitlement issue of 9.5 New Shares for every 2 Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.008 per New Shares to raise up to \$5,558,653 (being an issue of up to 694,831,634 New Shares based on the number of Shares to be on issue at the Record Date), together with 1 free attaching New Option (exercisable at \$0.011 during the Exercise Period) for every 3 New Shares subscribed for and issued (**Entitlement Offer**);
- (b) an offer of up to 6,360,015 new Options to subscribers under the Placement exercisable at \$0.011 during the Exercise Period (**Placement Options Offer**); and
- (c) an offer of 231,610,545 new Options to sub-underwriters of the Entitlement Offer exercisable at \$0.011 during the Exercise Period (**Underwriter Options Offer**),

(together, the **Offers**).

The Entitlement Offer will be fully underwritten up to \$5,558,653 by Patersons Securities Limited ACN 008 896 311 (**Underwriter**). Refer to Section 7.1(a) for details regarding the terms and conditions of the Underwriting Agreement.

Patersons Securities Limited is acting as Lead Manager to the Placement and Entitlement Offer.

The Entitlement Offer closes at 5.00pm AEST on 17 April 2018.

Important Information:

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. If you do not understand any part of this Prospectus, or are in any doubt as to how to deal with it or the Entitlement Offer, you should consult your stockbroker, solicitor, accountant or other professional adviser. The New Shares and New Options offered by this Prospectus should be considered speculative. This Prospectus is not for distribution or release in the United States of America or to U.S. Persons.

ASX Code and AIM Code: **MNC**

LEAD MANAGER AND UNDERWRITER



TABLE OF CONTENTS

1.	CORPORATE DIRECTORY	3
2.	TIMETABLE	4
3.	IMPORTANT INFORMATION	6
4.	DETAILS OF THE OFFERS UNDER THIS PROSPECTUS	18
5.	PURPOSE AND EFFECT OF THE OFFERS	28
6.	RIGHTS ATTACHING TO SHARES AND OPTIONS ISSUED	36
7.	ADDITIONAL INFORMATION	41
8.	DIRECTORS' CONSENTS	54
9.	DEFINITIONS	55

1. CORPORATE DIRECTORY

Directors

William Howe, Managing Director
 Dr Roger Higgins, Non-Executive Director
 Francisco Vergara-Irarrazaval, Non-Executive Director

Auditors

Grant Thornton
 Level 17
 383 Kent Street
 Sydney NSW 2000

Company Secretary

Graeme Hogan

Solicitors

Dentons Australia
 Level 16
 77 Castlereagh Street
 Sydney NSW 2000

Registered Office

Suite 401, Level 4,
 76 Help Street
 Chatswood NSW 2067

Share Registry

Link Market Services
 Level 12, 680 George Street
 Sydney NSW 2000
 Telephone: 1300 554 474 (Toll Free within Australia)
 Facsimile: (02) 9287 0303
 Website: registrars@linkmarketservices.com.au

Lead Manager and Underwriter

Patersons Securities Limited
 AFSL 239052
 Level 23, Exchange Tower
 2 The Esplanade
 Perth WA 6000

Contact Details

Metminco Limited
 Telephone: (02) 9460 1856
 Facsimile: (02) 9460 1857
 Website: www.metminco.com.au
 Email: graeme.hogan@metminco.com.au

ASX Code and AIM Code

MNC

2. TIMETABLE

Event	Day	Date*
Entitlement Offer announced	Friday	23 March 2018
Lodgement of Prospectus with ASIC	Friday	23 March 2018
Lodgement of Prospectus & Appendix 3B with ASX	Friday	23 March 2018
Settlement of Placement and lodgement of Appendix 3B relating to Placement	Monday	26 March 2018
Notice sent to securityholders	Monday	26 March 2018
Ex-Date for Entitlement Offer	Tuesday	27 March 2018
Trading of Rights Commences	Tuesday	27 March 2018
Record Date for Determining Entitlements (5:00pm EST and 5:00pm London time)	Wednesday	28 March 2018
Despatch of Prospectus to Shareholders	Tuesday	3 April 2018
Trading of Rights Ends	Tuesday	10 April 2018
Shares quoted on a deferred settlement basis	Wednesday	11 April 2018
Closing Date for Entitlement Offer	Tuesday	17 April 2018
ASX Notified of Entitlement Offer Shortfall	Thursday	19 April 2018
Issue date/Shares entered into Shareholders' security holdings	Tuesday	24 April 2018
Quotation of Securities Issued under the Entitlement Offer	Thursday	26 April 2018

Notes:

* These dates are the latest dates on which each relevant event may take place. This timetable is indicative only and we reserve the right to vary it at any time without providing you with prior notice, subject to the Listing Rules and the Corporations Act.

LETTER FROM THE BOARD

Dear Shareholders,

We are undertaking a placement to raise approximately \$0.15 million and a renounceable entitlement offer to raise a further \$5.56 million. This structure allows all shareholders the opportunity to invest further in their Company and support a new strategy which we are pleased to introduce to you briefly in this letter.

The proposed transaction is a truly transformational. It will enable a reshape of the Company by removing its debts and shifting its focus to exploration, where we believe there is a great opportunity to add value in the short term through drilling targets at the Company's Colombian projects. We will continue the permitting process at the Miraflores project but our other projects in Chile will be rationalised - the focus of the firm will be the Quinchia region in the Cauca Gold Belt in central Colombia.

With the funds raised we will immediately put the Company on a sounder footing by extinguishing short term creditors. We will also reduce operating costs by rationalising management and generally cutting overheads. The board will be restructured to reflect the changed strategy. Most importantly, we will move rapidly to drill the exciting Tesorito prospect, where a previous owner delivered large gold intersections that indicate the presence of substantial gold mineralisation from the surface. At the same time we will continue negotiations with a third party to gain access to the Chuscal project where we are excited by its apparent dimensions as well as the high gold grades seen locally in small artisanal workings.

Your Company will be leaner and more dedicated to exploration success. With two outstanding targets, we hope to deliver shareholders a rewarding year in 2018.

We urge you take up your entitlement and thank you for your continued support.

For and on behalf of the Board



William Howe, Managing Director

Metminco Limited

3. IMPORTANT INFORMATION

This Prospectus is dated 23 March 2018 and a copy of this Prospectus was lodged with ASIC on the same date. ASIC, the ASX, AIM and the Financial Conduct Authority (UK) and any of their respective officers do not take any responsibility for the contents of this Prospectus.

The expiry date of this Prospectus is 13 months from the date of this Prospectus (**Expiry Date**). No New Shares or New Options will be issued on the basis of this Prospectus after the Expiry Date. We will apply to the ASX within seven days of the date of this Prospectus for Official Quotation of the New Shares and New Options. Additionally, the Company will make an application for AIM Admission of the New Shares.

This Prospectus is a transaction-specific prospectus for an offer of ‘continuously quoted securities’ (as defined in the Corporations Act) and has been issued pursuant to section 713 of the Corporations Act. This Prospectus does not contain the same level of disclosure as an initial public offering prospectus. In making statements in this Prospectus, we have had regard to the fact that we are a ‘disclosing entity’ for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known by you and professional advisers whom you may consult. You must read this Prospectus in conjunction with publicly available information we have disclosed to the ASX.

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer or the Shortfall Offer which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company in connection with the Entitlement Offer or the Shortfall Offer.

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, UK and Chile (including electronic copies) may be restricted by law.

The offer under this Prospectus does not constitute an offer in the United States, nor does it constitute an offer to a person who is a US Person, or for the account or benefit of, US Persons (as defined in Rule 902 under the US Securities Act 1993).

If you come into possession of this Prospectus you should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of New Shares or New Options in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer. Lodgement of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of such laws.

3.1 Privacy

The Company collects information about each person who lodges an Entitlement and Acceptance Form for the purposes of processing the application and, if it is successful, administering the New Shares, New Options and Shortfall.

Lodgement of an Entitlement and Acceptance Form constitutes an agreement that the Company may use the information in that form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company’s related bodies, agents, contractors, and third party service providers (including mailing houses), the ASX, ASIC, AIM and the Financial Conduct Authority (UK) and other regulatory bodies and in any way required by Australian law or

regulatory bodies. This includes the requirement that information about Shareholders, including their name, address and details of Shares or Options held, must be recorded in the Company's public register, even after a Shareholder ceases to hold Shares or Options. The Company will also use this information to facilitate distribution payments and corporate communications.

If you do not provide the correct information required on the Entitlement and Acceptance Form, the Company may not be able to issue you with your Entitlement.

3.2 Forward-looking Statements

This Prospectus contains forward-looking statements which are identified by terminology such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' 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 Prospectus, are expected to take place.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Company operates may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. For further information on the risks, uncertainties and assumptions which may cause our actual results to differ from the forward-looking statements contained in this Prospectus, please refer to Section 3.5.

Subject to the requirements of the Listing Rules, AIM Rules and applicable law, the Company does not undertake to publicly release the result of any revisions of any forward-looking statements in this Prospectus that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this Prospectus.

3.3 Seek Professional Advice

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial situation and particular needs. It is important that you read this Prospectus in its entirety before deciding to invest and, if in any doubt, consult your professional adviser before deciding whether to accept the Entitlement Offer or to participate in the Shortfall Offer. In considering the Company's prospects you should consider the risk factors that could affect the Company's performance in light of your personal circumstances (including financial and taxation issues) and seek professional guidance from your stockbroker, solicitor, accountant or other professional financial adviser before deciding whether to invest. Section 3.5 contains a non-exhaustive list of risk factors that investors should consider in respect of the Entitlement Offer and the Shortfall Offer.

The New Shares and New Options carry no guarantee with respect to return on capital investment or the future value of the New Shares, the New Options or other Shares or Options.

Revenues and expenditures disclosed in this Prospectus are exclusive of the amount of GST unless otherwise disclosed.

3.4 Defined Words

Certain words and terms used in this Prospectus have defined meanings which are set out in Section 9.

In this Prospectus, the words 'we', 'our' and 'us' refer to the Company. The words 'you' and 'your' refer to Eligible Shareholders.

3.5 Risk Factors

The Entitlement Offer should be considered speculative because of the nature of, amongst other things, our business activities. Consequently, we strongly recommend that you consider the risk factors set out in this Section 3.5, together with information contained elsewhere in this Prospectus, and that you consult your stockbroker, solicitor, accountant or other professional adviser before deciding whether to take up your Entitlement.

We set out below a number of specific risks which relate directly to the Company, as well as certain industry and general risks, many of which are largely beyond the control of the Company or its Directors. We consider that the risks set out in this Section 3.5 may have a material impact on the financial performance of the Company and, specifically, the market price of the Shares.

The following is a summary of material risks. The list is not exhaustive and you should read it in conjunction with specific matters we have referred to in previous announcements and reports.

(a) Risks Relating to New Shares

The Company is listed on the ASX and AIM. You should note that if the New Shares and New Options are granted Official Quotation, and the New Shares are admitted to trading on AIM, they will be listed securities for the purposes of the Listing Rules, AIM Rules and Corporations Act. Consequently, share market conditions may affect the price of the New Shares and New Options regardless of operating performance. Specifically, local and international stock markets, movements in commodity prices, interest rates, economic conditions and investor sentiment generally may affect the price of the New Shares and New Options.

(b) Company, Specific and Industry Risks

(i) Exploration costs

The exploration costs of the Company are premised upon a number of assumptions and estimates as regards the method and timing of exploration. These assumptions and estimates are, by their nature, speculative and subject to a number of uncertainties. Consequently, we do not give any assurance that the cost estimates and the underlying assumptions will be realised in practice, which may adversely affect the Company's viability.

(ii) Exploration success

There is a significant risk that our proposed exploration programmes will not result in exploration success. Mineral exploration is, by its nature, a high risk endeavour. The Company's exploration programmes, or any other projects that we may acquire in the future, may not result in the discovery of a commercially viable economic mineral deposit.

The success of our exploration programmes is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable ore reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- the design and construction of efficient mining and processing facilities within capital expenditure budgets;
- securing and maintaining title to tenements;
- access to markets for saleable products;
- obtaining consents and approvals necessary for the conduct of exploration and mining;
- obtaining the social licence needed to explore, develop and operate a project;
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees;
- adverse weather conditions over a prolonged period can adversely affect exploration and mining operations and the timing of revenues; and
- other risk factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices may affect successful project development and mining operations.

(iii) Ability to exploit successful discoveries

Even if an apparently viable deposit is identified, there is no guarantee that we can economically exploit it. That is, it may not always be possible for the Company to participate in the exploitation of successful discoveries made in any areas in which we have an interest because such exploitation may require further intensive capital input as well as further licences, mining concessions and clearances from relevant authorities. We note that it may or may not be possible for such conditions to be satisfied.

(iv) Loss of key management personnel

Our success largely depends upon key management personnel for the management of the Company as well as upon other management and technical personnel for the daily operation of the Company. Consequently, there is a possibility that we will be adversely affected, particularly in respect of the rate at which our exploration programmes and tenements are developed or prioritised, if one or more of our key management personnel cease their employment.

(v) Financial risks

We may have difficulty in obtaining future equity or debt funding to support exploration programmes, evaluation and development of our tenements.

Our ability to raise further equity or debt, or to divest part of our interest in a tenement, and the terms of such transactions will vary according to a number of factors, including the success of exploration results and the future development of the tenements, stock market conditions and prices for commodities.

Should it subsequently be established that a mining production operation is technically, environmentally and economically viable, we will require substantial additional financing to establish mining operations and production facilities. We may not be able to raise the additional finances that may be required for future activities. Commodity prices, environmental regulations, environmental rehabilitation or restitution obligations, revenues, taxes, transportation costs, capital expenditures, operating expenses and technical aspects are all factors which will impact on the amount of additional capital that may be required.

Additional financing may not be available on terms acceptable to us, or at all. Significantly, any additional equity financing or the exercising of Options, may dilute your existing shareholdings; and debt financing, if available, may restrict financing and future activities. If we fail to obtain additional financing, as needed, we may have to reduce the scope of our operations or anticipated expansion, forfeit our interest in some or all of our tenements, incur financial penalties and/ or reduce or terminate our operations.

(vi) Litigation

We may be exposed to potential legal and other claims or disputes in the future which could adversely affect the Company's financial performance through damages payments and harm to reputation. Other than as described elsewhere in this Prospectus, management is not aware of any current or pending litigation concerning the Company.

(vii) Insurance risks

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive. In certain circumstances, our insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or

fully covered by insurance could have a materially adverse effect on our business, financial condition and results.

(c) Specific Risks

(i) Foreign governments and legal systems

The Colombian and Chilean jurisdictions, where our operating assets currently reside, differ from the legal systems found in Australia, New Zealand and the United Kingdom. This could lead to exposure to any of the following risks:

- lack of guidance or interpretation of the applicable rules and regulations; and
- delays in redress or greater discretion on the part of governmental authorities.

We cannot guarantee that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be certain. In addition, political instability and changes in foreign law, including taxation law, may affect our ability to operate successfully, profitably or optimally in foreign jurisdictions.

(ii) Title and tenure

The Company's exploration and development activities are contingent on obtaining and maintaining necessary licences and permits under the applicable jurisdiction. Renewal of licences and permitting for exploration and mining activities may be subject to objections from various parties including local community groups and surface title holders as well as local, state and federal government and non-government agencies. If renewal and/or permitting for whatever reason is delayed or not granted, or granted with onerous conditions, the Company may suffer a loss of the opportunity to develop and/or further explore affected projects.

(iii) Social Licence

In order to explore, develop or operate in communities, the general acceptance of certain stakeholder populations may be required. This may include formal agreements that can require extended negotiations with large numbers of stakeholders, for example indigenous communities and groups with native title rights. There can be no guarantee these negotiation will be concluded successfully or not be protracted and cause significant delay to the Company's plans.

(iv) Financing Risk

The Consolidated Group made a loss for the six months ended 30 June 2017 of \$30,727,034 including a loss on sale of Los Calatos Project of \$27,165,722. 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 net cash outflow for

the six months ended 30 June 2017 including payments for exploration was \$2,776,440. The unaudited cash balance at 31 December 2017 was \$834,377. These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

Notwithstanding the material uncertainty, the Directors are of the opinion, having made due and careful enquiry, that there are reasonable grounds to form the view that the Company will, taking into account the successfully completed Placement and the Entitlement Offer, have sufficient working capital for its present requirements.

In forming this view the Directors have considered in detail a number of potential scenarios including cash raised from the Placement, potential funds raised pursuant to the Entitlement Offer and asset sales and the restructure of the Company's operations. In addition, funds raised pursuant to the exercise of the Existing Options, the Entitlement Offer Options and the Underwriter Options may provide further funding.

(v) Transactional Risks

The Company intends to divest its non-core assets. This can be impacted by many risks beyond the control of the Company including market risks which itself is impacted by business cycles, political, government and regulatory risks amongst others. There is no guarantee that the Company will be able to divest its assets, or achieve reasonable prices for these assets, or complete these transactions in any timeframe.

(d) Industry Risks

(i) Environmental

Mining and exploration has become subject to increasing environmental responsibility and liability in Australia, Columbia and Chile. The potential for liability is an "ever present" risk. The use and disposal of chemicals in the mining industry is under constant legislative scrutiny and regulation. Consistent with this, we may be required, in some cases, to undertake baseline environmental studies prior to certain exploration or mining activities, so that the environmental impact can be monitored and, as far as possible, minimised. The discovery of any endangered species of fauna and flora may impact upon our ability to freely explore or develop our tenements.

There is no guarantee that nature reserves or parks will not be decreed by government agencies in the areas in which we work. These could constrain the company's ability to operate on its existing or future licences.

(ii) Commodity prices

Commodity prices are influenced by physical and investment demand for those commodities. Fluctuations in commodity prices may influence individual projects in which the Company has an interest.

(iii) Competition risk

The industry in which we are involved is subject to domestic and global competition. Although we will undertake all reasonable due diligence in our business decisions and operations, we will have no influence or control over the activities or actions of our competitors, which activities or actions may positively or negatively affect the operating and financial performance of our business.

(e) General Risks

(i) Share market and commodity price volatility

Share market conditions may affect listed securities regardless of operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- movements in, or outlook on, interest rates and inflation rates;
- currency fluctuations;
- commodity prices;
- changes in investor sentiment towards particular market sectors; and
- the demand for, and supply of, capital.

Such factors may impact the price of the Shares currently on issue as well as the New Shares and any Converted Shares if granted Official Quotation.

(ii) Economic factors

Factors such as inflation, currency fluctuation, interest rates, supply and demand, business cycles and industrial disruption have an impact on operating costs, commodity prices and stock market processes. Our future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company and its Directors.

(iii) Government

Changes in government, monetary policies, taxation, regulation and other laws can have a significant influence on the outlook for companies and the returns to investors. These factors are beyond the control of the Company and its Directors.

(iv) Taxation

The acquisition and disposal of Shares and Options may have tax consequences which are contingent upon the circumstances of individual Shareholders. To the maximum extent permitted by law, the Company, its officers and our advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for the New Shares or New Options.

(f) Speculative Investment

The above list of risk factors should not be taken as an exhaustive list of the risks faced by us or you as an investor in the Company. The above factors, and others not specifically referred to above, may materially affect the Company's future financial performance and the value of the New Shares and New Options. Therefore, the New Shares and New Options carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

You should consider an investment in the Company as speculative and should consult your professional advisers before deciding whether to apply for the Entitlement.

3.6 Interest of Directors

Except as disclosed below or elsewhere in this Prospectus, no Director or proposed director of the Company has, or had, within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or with the Entitlement Offer; or
- (c) the Entitlement Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director or proposed director of the Company:

- (a) to induce him to become, or to qualify him as, a Director; or
- (b) for services rendered by him in connection with the formation or promotion of the Company or the Entitlement Offer.

The direct and indirect interests of the Directors and proposed director of the Company in the securities of the Company as at the date of this Prospectus are:

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
William Howe	Nil	3,365,743	Nil	Nil
Roger Higgins	173,077	90,693	Nil	Nil
Francisco Vergara - Irarrazaval	202,800	1,075,000	Nil	Nil
Kevin Wilson (Proposed Director)	Nil	Nil	Nil	Nil

Director	Shares		Options	
Ram Venkat (Former Director)*	Nil	384,000	Nil	Nil

* Note: Mr Ram Venkat resigned as a director of the Company on 19 March 2018.

Each Director who is an Eligible Shareholder may, at their discretion, take up their Entitlement. Each Director that is an Eligible Shareholder has indicated that it is their present intention to subscribe for their full Entitlement.

Kevin Wilson will become a Director and Executive Chairman of the Company shortly after the lodgement of the Prospectus (refer to Section 7.3 of this Prospectus). Mr Wilson will participate in the Shortfall Offer as a sub-underwriter for up to 12,500,000 New Shares.

3.7 Substantial Holders

Based on publically available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%	Entitlement (New Shares)	Entitlement (New Options)
Lanstead Capital LP	10,285,190	8.1%	48,854,653	16,284,884
Lanstead III LLC	9,031,266	7.1%	42,898,514	14,299,505

In the event that all Entitlements are accepted there will be no change to the substantial holders of the Company on completion of the Entitlement Offer. No Shareholder will, as a result of the Entitlement Offer, increase their relevant interest in the Company to above 20%.

Further, the Company notes that the substantial holders or any other Shareholder will not be issued Shares under the Shortfall Offer if the issue of those Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Please refer to Section 4.4 for further details of the Shortfall Offer.

The effect on the control of the Company in the event that Shareholders do not participate in the Entitlement Offer is further described in Section 3.8 below.

3.8 Effect on control of the Company and potential dilution to Shareholders

The Underwriter presently is not a Shareholder of the Company. The Underwriter is not a related party of the Company for the purpose of the Corporations Act. The Underwriter's relevant interest following completion of the Entitlement Offer and changes under several scenarios are set out in the table below and are based on the

assumption that the Underwriter takes up its full underwriting commitment of 694,831,634 Shares under each scenario.

Event	New Shares Held by Underwriter	Voting Power of Underwriter*
Date of Prospectus	Nil	Nil
Completion of Entitlement Offer		
• Fully Subscribed	Nil	0%
• 80% Subscribed	138,966,327	16.5% **
• 50% Subscribed	347,415,817	41.3%
• 25% Subscribed	521,123,725	62.0%
• Full Underwriting Commitment	694,831,634	82.6%

* Note: Table represents voting power as a percentage of undiluted common shares outstanding and does not include the potential dilutive impacts of the Top-Up Placement Shares, Underwriter Options, Underwriter Shortfall Options, New Redfield Options or New Lanstead Shares.

** Note: Does not include the impact of the potential issue of the 126,166,797 Top-Up Placement Shares.

The number of New Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Entitlement Offer. However, it is considered unlikely that no Shareholders will take up entitlements under the Entitlement Offer. The underwriting obligation and therefore voting power of the Underwriters will reduce by a corresponding amount for the amount of entitlements under the Entitlement Offer taken up by the other Shareholders.

In addition, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 83% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders assuming no Options are exercised are set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Offer not taken Up	% post Entitlement Offer*
Shareholder 1	15,000,000	10.3%	71,250,000	15,000,000	1.8%
Shareholder 2	10,000,000	6.8%	47,500,000	10,000,000	1.2%

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Offer not taken Up	% post Entitlement Offer*
Shareholder 3	5,000,000	3.4%	23,750,000	5,000,000	0.6%
Shareholder 4	3,000,000	2.1%	14,250,000	3,000,000	0.4%
Shareholder 5	1,500,000	1.0%	7,125,000	1,500,000	0.2%

* Note: The dilutionary effect shown in the table above is the maximum percentage ownership on the assumption that those Entitlements not accepted by Eligible Shareholders are held by the Underwriter.

3.9 Market price of Shares

The highest and lowest recorded closing market sale prices of the Shares quoted on the ASX during the three month period immediately prior to the date of this Prospectus and the last closing market sale price of the Shares on the ASX on 20 March 2018 (being the last trading day before the trading halt on 21 March 2018) prior to the date of the announcement of the revised capital raising is set out below.

	Dates	Price
Highest	28 & 29 December 2017	\$0.049
Lowest	15 & 16 March 2018	\$0.015
Last day of trading	20 March 2018	\$0.016

4. DETAILS OF THE OFFERS UNDER THIS PROSPECTUS

4.1 The Entitlement Offer

The Entitlement Offer is being made as a renounceable entitlement issue of 9.5 New Shares for every 2 Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.008 per New Share, together with 1 free attaching New Option (exercisable at \$0.011 on or before 1 June 2020) for every 3 New Shares subscribed for and issued.

Based on the capital structure of the Company as at the date of this Prospectus (assuming all Entitlements have been taken up, no Unlisted Options are exercised prior to the Record Date and the Placement Shares will be allotted prior to the Record Date) a maximum of up to 694,831,634 New Shares and 231,610,545 New Options will be issued pursuant to this Entitlement Offer to raise up to \$5,558,653 before costs.

Only Eligible Shareholders may accept the Entitlement Offer, by using the relevant application form. A personalised application form in relation to the Entitlement Offer will be issued to the Eligible Shareholders together with a copy of this Prospectus.

In the calculation of Entitlements, fractions will be rounded up to the nearest whole number.

4.2 The Placement Options Offer

This Prospectus includes the Placement Options Offer, being an offer of up to 6,360,015 Placement Options exercisable at \$0.011 on or before 1 June 2020 to subscribers of the Placement (**Subscribers**), on the basis of one (1) free Placement Option for every three (3) Placement Shares subscribed by those Subscribers under the Placement.

The Placement Options will be issued subject to Shareholder approval which will be sought at the upcoming Annual General Meeting.

Only Subscribers may accept the Placement Options Offer, by using the relevant application form. A personalised application form in relation to the Placement Options Offer will be issued to the Subscribers together with a copy of this Prospectus.

4.3 The Underwriter Options Offer

This Prospectus includes the Underwriter Options Offer of 231,610,545 new Options exercisable at \$0.011 on or before 1 June 2020 to the Underwriter/sub-underwriters (or its nominee).

The Options under the Underwriter Options Offer will be issued subject to Shareholder approval which will be sought at the upcoming Annual General Meeting.

Only the Underwriter (or its nominees) may accept the Underwriter Options Offer, by using the relevant Underwriter Options Offer Application Form in relation to the Underwriter Options Offer. A personalised Underwriter Options Offer Application Form in relation to the Underwriter Options Offer will be issued to the Underwriter together with a copy of this Prospectus.

The Underwriter Options Offer is being issued for nil consideration as part of the fees paid to the Underwriter/sub-underwriters (or its nominees) pursuant to the Underwriting Agreement.

4.4 The Shortfall Offer

Any New Shares under the Entitlement Offer that are not applied for will become Shortfall Shares offered under the Shortfall Offer.

The Shortfall Offer is a separate offer under the Prospectus.

Eligible Shareholders who are not related parties of the Company may apply for any Shortfall Shares by completing the relevant Shortfall section in the Entitlement and Acceptance Form and sending it to the Company's Share Registry (refer to Section 4.6) with payment by cheque or BPAY® transfer on the same terms as in Section 4.6.

The Underwriter has the right to nominate and determine in consultation with the Directors who is to receive the securities under the Shortfall Offer,

Application for Shortfall Shares accompanied by Application Money does not guarantee the allotment of any Shortfall Shares. All Application Money in relation to which Shortfall is not allocated will be returned without interest.

It is your responsibility to ensure that you will not breach the takeovers provisions in the Corporations Act by applying for Shortfall Shares.

The Shortfall Shares will be issued within 5 Business Days of the Closing Date. The Company reserves the right to issue Shortfall at its discretion, including as amongst Eligible Shareholders. The Shortfall will not be issued at a price less than \$0.008 per New Share (with attached New Option for every three (3) New Shares issued).

Some Eligible Shareholders will not be able to subscribe for Shortfall Shares due to constraints in the Listing Rules and the Corporations Act. In particular, related parties, such as Directors of the Company will not be able to subscribe for Shortfall Shares without the approval of the Shareholders. The Company notes that substantial Shareholders or any other Shareholder will not be issued Shares under the Shortfall Offer if the issue of those Shares would contravene the takeover prohibition in section 606 of the Corporations Act.

If you are unsure whether you are restricted from participating in the Shortfall Offer you should seek legal and financial advice. If you wish to apply for Shortfall Shares, please refer to Section 4.12.

The effect on capital structure at different levels of Shortfall Shares is captured in Section 5.5.

4.5 Offers

All of the New Shares under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.1 of this Prospectus for further information regarding the rights and liabilities attaching to the Shares.

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in Sections 6.2 and 6.3 of this Prospectus.

All Shares issued on conversion of the Options will rank equally with the Shares on issue at the date of this Prospectus.

4.6 Application, Allotment and Allocation of the Entitlement Offer

To subscribe to the Entitlement Offer, you must complete the accompanying personalised Entitlement and Acceptance Form in accordance with the instructions set out in the Entitlement and Acceptance Form. You may take up your Entitlement either in whole or in part. If you do not wish to take up any part of your Entitlement, you are not required to take any action. The part of your Entitlement that you do not take up will form part of the Shortfall Offer.

Please pay by cheque or by BPAY®. If you pay by:

- cheque, you should make the cheque payable to "Metminco Limited" and crossed "Not Negotiable"; or by
- BPAY®, payment should be made in accordance with the instructions set out on the Entitlement and Acceptance Form using the reference number shown on the form. If you make your payment by BPAY® you do not need to complete and return the Entitlement and Acceptance Form. Your BPAY® payment cannot be withdrawn.

Your payment must be in Australian currency. The amount payable on application will be deemed not to have been received until cleared funds are received. Completed Entitlement and Acceptance Forms (and, if paying by cheque, a cheque for the Application Money) must be mailed to the postal address, or delivered by hand, to the delivery address set out below:

POSTAL DELIVERY

HAND DELIVERY

Metminco Limited C/- Link Market Services Limited GPO Box 3560 Sydney NSW 2001	Metminco Limited C/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138
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All acceptances must be received by 5:00pm (AEST) on the Closing Date, being Tuesday 17 April 2018

A completed and lodged Entitlement and Acceptance Form constitutes a binding offer to acquire New Shares and New Options on the terms and conditions set out in this Prospectus and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Entitlement and Acceptance Form. The Directors' (or their delegates') decision whether to treat an application as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

If we receive your Entitlement and Acceptance Form after 5.00pm (AEST) on Tuesday 17 April 2018, the Directors may, at their discretion, accept or reject your application.

We will allot and issue your New Shares and New Options as soon as practicable after the date of this Prospectus and otherwise in accordance with the Listing Rules. We will also despatch holding statements in relation to your New Shares and New Options as soon as practicable after the date of this Prospectus.

4.7 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in that form.

You should then forward your completed Entitlement and Acceptance Form together with your Application Money in accordance with Section 4.6 to reach the Company's Share Registry no later than 5.00pm (AEST) on the Closing Date.

4.8 If you wish to sell all of your Entitlement

Complete the section marked "Instructions to Stockbroker" on the back of the Entitlement and Acceptance Form, which accompanies this Prospectus, in accordance with the instructions contained on the form and lodge it with your stockbroker as soon as possible.

Entitlements trading will commence on ASX on 27 March 2018. Sale of your Entitlement must be completed by 10 April 2018 when Entitlement trading is expected to cease.

4.9 If you wish to take up part of your Entitlement and sell the balance

Please complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares and New Options for which you wish to accept (being equal to or less than the number specified on the Entitlement and Acceptance Form) and complete the section marked "Instructions to Stockbroker" on the back of the form in respect of that part of your Entitlement you wish to sell.

Forward the form to your stockbroker together with your cheque for the total amount payable, or follow the procedure for BPAY®, in respect of the New Shares and New Options accepted. Your stockbroker will need to ensure that the completed Entitlement and Acceptance Form reaches the Company's Share Registry, by 5.00 pm (AEST) on the Closing Date.

Entitlements trading will commence on the ASX on 27 March 2018. Sale of your Entitlements must be completed by 10 April 2018 when Entitlements trading is expected to cease.

4.10 If you wish to transfer your Entitlement other than on ASX

You may transfer all or part of your Entitlement to another person other than on the ASX provided that the purchaser is not an Ineligible Shareholder or would not be an Ineligible Shareholder if the purchaser was the registered holder of Shares.

If you wish to transfer all of your Entitlement to another person other than on the ASX, forward a completed standard renunciation and acceptance form (obtainable from the Company's Share Registry) and the applicable transferee's cheque or BPAY® for the New Shares and New Options they wish to subscribe for to the Company's Share Registry by no later than 5.00pm (AEST) on the Closing Date.

If you wish to transfer only part of your Entitlement to another person other than on the ASX, but also want to take up some or all of the balance of your Entitlement, you will need to take the steps described above in relation to the Entitlements you wish to transfer and complete the accompanying Entitlement and Acceptance Form in respect of the Entitlement you wish to take up. You will need to lodge the Entitlement and Acceptance Form in accordance with the procedure in Section 4.6.

If the Share Registry receives both a completed renunciation and acceptance form and a completed Entitlement and Acceptance Form in respect of the same Entitlements, the renunciation will be given priority to the acceptance.

4.11 Entitlements not taken up

If you are an Eligible Shareholder and do not wish to accept all (or part) of your Entitlement, you are not obliged to do anything. If you do nothing, you will receive no benefit, New Shares or New Options and your Entitlement will become Shortfall and will be offered as part of the Shortfall Offer (refer to Section 4.4).

If you wish to receive a benefit, you must take action to accept your Entitlement in accordance with the instructions above and on the accompanying Entitlement and Acceptance Form.

The number of existing Shares you hold as at the Record Date and the rights attached to those existing Shares will not change if you choose not to accept any of your Entitlement.

Your Entitlement may have value and accordingly you should consider renouncing (selling) your Entitlement rights, rather than allowing them to lapse. Any Entitlements that lapse will form part of the Shortfall Offer. See Section 4.4 for more information on the Shortfall Offer and Section 7.1(a) for further information on the Underwriting Agreement.

4.12 Taking up all of your Entitlement and applying for Securities under the Shortfall Offer

Should you wish to accept all of your Entitlement and apply for Shortfall Shares under the Shortfall Offer, then applications for Shortfall Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully. See Section 4.4 for more information on the Shortfall Offer.

4.13 Underwriting

The Entitlement Offer is lead managed and underwritten by the Underwriter for up to \$5,588.653. Refer to Section 7.1(a) for details of the terms of the underwriting.

4.14 Risks Relating to New Shares

The Company is listed on the ASX and AIM. Consequently, share market conditions may affect the price of Shares and Options regardless of operating performance. Many factors will affect the price of the New Shares and New Options including local and international stock markets, movements in commodity prices, interest rates, economic conditions and investor sentiment generally. In particular, you should be aware that mineral exploration by its nature is a high risk endeavour and accordingly there is a significant risk that our proposed exploration programmes will not result in exploration success.

Please refer to Section 3.5 for further details of the risks associated with the Entitlement Offer.

4.15 Overseas Shareholders

The New Shares and New Options under the Entitlement Offer and Shortfall Offer are being offered to Eligible Shareholders only.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, UK and Chile may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer and the Shortfall Offer are not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, UK or Chile.

New Zealand

The offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares or New Options.

Please note that the taxation treatment of Australian securities may not be the same as for New Zealand securities. It is the responsibility of Shareholders to ensure compliance with all laws of any country which may be relevant to the Entitlement Offer or Shortfall Offer.

In limited circumstances, and in Metminco's absolute discretion, Metminco may elect to treat as Eligible Shareholders certain institutional or sophisticated persons who would otherwise not be Eligible Shareholders because their registered addresses are not in Australia or New Zealand.

United Kingdom

Neither the information in this Prospectus nor any other document in relation to the Offers or the Shortfall Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000* (UK), as amended (**FSMA**)) has been published or is intended to be published in respect of the Shares.

Accordingly, this Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

This document has been issued on a confidential basis to fewer than 150 persons (other than “qualified investors” (within the meaning of section 86(7) of FSMA)) in the United Kingdom being existing Shareholders only, and the Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA.

Chile

Considering that Metminco Limited has not been registered under the legal provisions of the Commission for the Stock Market in the Republic of Chile (**CMV**), previously known as Securities and Insurances Superintendence (**SVS**), according to the laws of the Republic of Chile, neither the information in the Prospectus nor any other document related to the offers or the Shortfall Offer has been delivered for approval to the CMV and no prospectus has been published or is required to be published in respect of the Shares. The Securities contemplated by the Offers are and will not be registered with the CMV and according to Chilean law are not subject to regulation by the CMV.

The Offers contained in the Prospectus is for qualified investors (as defined in SVS General Rule 216). The Offers will not be communicated by means of mass media, will not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in Chile.

4.16 The Offer Price

The offer price of \$0.008 per New Share under the Entitlement Offer represents a 50% discount to the closing market price of the Shares on 20 March 2018, being the last trading day before the trading halt on 21 March 2018. This offer price represents a 50% discount to the volume weighted average price (VWAP) over the last five trading days (thirty day VWAP: 53%) on which the Shares last traded to 20 March 2018 (being the last trading day before the trading halt on 21 March 2018), prior to the announcement of the Entitlement Offer.

4.17 Appointment of Nominee

Pursuant to section 615 of the Corporations Act and ASX Listing Rule 7.7, the Company has appointed Patersons Securities Limited as nominee to sell the Entitlements to which Ineligible Shareholders are entitled. Patersons will have the absolute and sole discretion to determine the timing and price at which the Entitlements will be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Ineligible Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, Patersons will not be required to sell Ineligible Shareholders' Entitlement at a particular price.

Neither the Company nor Patersons will be subject to any liability for failure to sell the Entitlements or to sell them at a particular price. If, in the reasonable opinion of Patersons, there is no viable market for the Entitlements of the Ineligible Shareholders, or a surplus over the expenses of the sale cannot be obtained the Entitlements that would have been offered to the Ineligible Shareholders, then those Entitlements will be allowed to lapse. The Shares not taken up will form part of the Shares to be taken up by the Underwriter pursuant to the Underwriting Agreement.

Shareholders resident in Australia, New Zealand, UK and Chile holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.18 ASX Official Quotation

We will apply to the ASX within seven days after the date of this Prospectus for Official Quotation of the New Shares and New Options.

If the ASX does not grant permission for Official Quotation of the New Shares and New Options within three months of the date of this Prospectus, or such longer period as is permitted by the Corporations Act, we will not allot or issue any New Shares or New Options (unless ASIC grants to the Company an exemption permitting the allotment and issue). In this case, we will refund all Application Money, though any interest earned on Application Money will remain with the Company.

The fact that the ASX may grant Official Quotation to the New Shares and New Options is not an indication of the merits of the Company or the New Shares or New Options.

The Company will also make an application for AIM Admission for the New Shares prior to completion of the Offers. The fact that AIM may grant Admission to the New Shares is not an indication of the merits of the Company or the New Shares.

4.19 CHESS

The Company participates in CHESS. CHESS is operated by ASX Settlement (a wholly owned subsidiary of ASX) in accordance with the Listing Rules and the ASX Settlement Rules.

If you have a CHESS sponsorship agreement with your stockbroker, ASX Settlement will send you a CHESS statement. The CHESS statement will set out your holding of Shares and Options (including New Shares and New Options issued under this Prospectus), provide details of your holder identification number, and provide the participant identification number of the sponsor.

If you are not broker-sponsored, your New Shares and New Options will be registered on the Issuer Sponsored Subregister by default. If you are registered on the Issuer Sponsored Subregister, your statement will be despatched by the Share Registry and will contain the number of New Shares and New Options issued to you under this Prospectus and your security holder reference number.

CHESS statements and Issuer Sponsored statements will routinely be sent out to Shareholders and Optionholders at the end of any calendar month during which the balances of their holdings change. Shareholders and Optionholders may request a statement at any other time, however, a charge may be payable for additional statements.

We will not be issuing share or option certificates in respect of the New Shares and New Options.

4.20 Taxation

You should seek and rely upon independent taxation advice regarding your investment in the Company as the taxation consequences will depend on your particular circumstances.

4.21 Ranking

The New Shares offered pursuant to this Prospectus will rank equally with existing Shares on issue at the date of this Prospectus. Shares issued upon the exercise of Options will also rank equally with existing Shares on issue. Details on the rights and liabilities attaching to New Shares and Options are set out in Section 6.

4.22 Renounceable

Entitlements are renounceable. This Section 4 sets out how you are able to deal with your Entitlement.

4.23 No Minimum Subscription

There is no minimum subscription for the Entitlement Offer.

4.24 Escrow

No securities on issue in the Company are subject to escrow restrictions, either voluntary or imposed by the ASX or the AIM Rules.

4.25 Expenses of the Entitlement Offer

We estimate the cost associated with the Entitlement Offer including advisory fees, legal fees, printing fees and other costs incurred in preparing and distributing this Prospectus, to be approximately \$550,000.

Please refer to Section 7.11 for further details of the expenses of the Entitlement Offer.

4.26 Withdrawal of Prospectus

The Directors may at any time decide to withdraw this Prospectus.

4.27 Enquiries

If you have any questions regarding the Entitlement Offer, or any of the documents referred to in this Prospectus, please contact us by telephone on (02) 9460 1856.

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Purpose of the Offers Under this Prospectus

The primary purpose of the Entitlement Offer is to raise up to up to \$5,558,653 before costs.

Refer to Section 5.8 for further detail on the proposed used of funds.

The primary purpose of both the Placement Options Offer and the Underwriter Options Offer is to potentially raise up to \$2,617,676 in the future, assuming the Placement Options and Underwriter Options are exercised.

5.2 Effect of the Offers Under this Prospectus

The principal effect of the Offers, assuming all Entitlements are accepted, funds are received from the Placement, no Unlisted Options are exercised prior to the Record Date and relevant Shareholder approvals are obtained, will be to:

- (a) increase the Company's cash reserves by \$5,711,293 (before deducting the estimated expenses of the Entitlement Offer) comprising \$152,640 from the Placement and \$5,558,653 from the Entitlement Offer;
- (b) increase the number of Shares on issue to 841,111,977 comprising 127,200,299 Shares on issue as at the date of this Prospectus, 19,080,045 Shares to be issued under the Placement and 694,831,634 New Shares to be issued under the Entitlement Offer;
- (c) have on issue 12,345,639 Unlisted Options expiring on 17 May 2019 and 12,345,639 Unlisted Options expiring on 25 May 2019, at the exercise price of \$0.081 (refer to Section 7.5 for more information); and
- (d) have on issue 469,581,104 Listed Options at the exercise price of \$0.011 each expiring two (2) years after the date of grant, comprising 6,360,015 Placement Options; 231,610,545 New Options; 231,610,545 Underwriter Options.

5.3 Pro Forma Statements of Financial Position

The unaudited balance sheet as at 31 December 2017 and the pro-forma balance sheet shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	(A) 31 December 2017 (Unaudited) \$	(B) Pro-forma consolidated 31 December 2017 \$
CURRENT ASSETS		
Cash and cash equivalents	834,377	3,010,730 ^{1 2}
Trade and other receivables	440,065	440,065
Assets held for sale	2,586,122	2,586,122
Other assets	48,612	48,612
TOTAL CURRENT ASSETS	3,909,176	6,085,529
NON-CURRENT ASSETS		
Trade and other receivables	180,669	180,669
Property, plant and equipment	569,642	569,842
Exploration and evaluation expenditure	11,270,941	11,270,941
TOTAL NON-CURRENT ASSETS	12,021,252	12,021,252
TOTAL ASSETS	15,930,428	18,106,781
CURRENT LIABILITIES		
Trade and other payables	3,072,074	87,134 ^{1 2}
Short-term provisions	187,214	187,214
TOTAL CURRENT LIABILITIES	3,259,288	274,348
Long term payables ⁴	4,322,867	4,322,867
LONG TERM LIABILITIES	4,322,867	4,322,867
TOTAL LIABILITIES	7,582,155	4,597,215
NET ASSETS	8,348,273	13,509,566
EQUITY		
Issued capital	333,013,109	338,174,402 ³
Reserves	(30,584,579)	(30,584,579)
Accumulated losses	(294,080,257)	(294,080,257)
TOTAL EQUITY	8,348,273	13,509,566

1. Cash has been reduced by \$744,940 being payments since 1 January 2018. This includes payments for liabilities incurred since 31 December 2017.
2. It is proposed that \$2,240,000 of the funds raised will be applied to pay creditor liabilities as at the date of this prospectus, including payment of the Redfield convertible note and \$1 million payment for RMB due in June 2018.
3. \$5,161,293 is the net proceeds of the entitlement offer and placement after allowing for \$550,000 being estimated costs of the entitlement offer and placement.
4. Long term payables is the NPV of the balance of the payments of \$5 million through to June 2020 due to RMB to acquire Miraflores Compania Minera SAS owner of the Miraflores Gold Project.

5.4 Fair Value of the Entitlement Offer

The Entitlement Offer provides for Eligible Shareholders to receive:

- Nine and a half (9.5) New Shares for every two (2) Shares held; and
- One (1) New Option for each three (3) New Shares issued to subscribe for one Share exercisable by the end of the Exercise Period at a price of \$0.011 each.

The consideration payable under the Entitlement Offer of \$0.008 for each New Share and New Option issued requires a consideration of the fair value of the New Options embedded in the Entitlement Offer.

The Company has determined that a fair value for each New Option is \$0.004 using the Black Scholes valuation methodology.

The critical assumptions adopted in determining the value per New Option are as follows:

Price = \$0.0092 (reflecting the Theoretical Ex-Rights Price following the completion of the Entitlement Offer)

Exercise Price = \$0.011

Maturity = 2 years

Risk-Free Rate = 2.70% (based on the Australian 10 Year Bond Yield as at the date of this Prospectus)

Volatility = 80%

5.5 Effect on Capital Structure from the Offers Under this Prospectus

The following table shows the possible effects of the Offers, on the capital structure of the Company under a number of different scenarios.

	Before Entitlement Offer	After Entitlement Offer ⁽²⁾			
		Scenario 1: No Entitlements Subscribed	Scenario 2: 50% of Entitlements Subscribed	Scenario 3: 80% of Entitlements Subscribed	Scenario 4: All Entitlements Subscribed
Existing Shares ⁽¹⁾	146,280,344	146,280,344	146,280,344	146,280,344	146,280,344
New Shares		694,831,634	694,831,634	694,831,634	694,831,634
Existing Unlisted Options ⁽³⁾	24,691,278	24,691,278	24,691,278	24,691,278	24,691,278
New Options	Nil	231,610,545	231,610,545	231,610,545	231,610,545
Placement Options	Nil	6,360,015	6,360,015	6,360,015	6,360,015
Underwriter	Nil	231,610,545	231,610,545	231,610,545	231,610,545

Options					
Total Shares after Prospectus Offers	146,280,344	841,111,978	841,111,978	841,111,978	841,111,978
Total Options after Prospectus Offers	24,691,278	494,272,383	494,272,383	494,272,383	494,272,383
Amount Raised ⁽⁴⁾		\$5,711,293	\$5,711,293	\$5,711,293	\$5,711,293

1. Includes 127,200,299 Shares on issue as at the date of this Prospectus and 19,080,045 Shares to be issued under the Placement.
2. The 'After Entitlement Offer' columns, in which Eligible Shareholders subscribe for different percentages of their Entitlements, assume no Unlisted Options are exercised prior to the Record Date and Shareholder approval is granted for the Placement Options and the Underwriter Options at the upcoming Annual General Meeting.
3. Details of Unlisted Options on issue are set out in Section 7.5.
4. The 'Amount Raised' row refers to the amount the Company's cash reserves would increase by as a result of the Placement and Entitlement Offer (before deducting the estimated expenses).

5.6 Other Offers Not Under this Prospectus

Placement

The Company is undertaking a placement of 19,080,045 Shares at an issue price of \$0.008 per Share, together with 6,360,015 Options, on 26 March 2018 to sophisticated and institutional investors to raise \$152,640 (**Placement**).

Pursuant to the Placement Options Offer, Subscribers in the Placement will receive one (1) free attaching Option for every three (3) Shares subscribed for. The issue of Options under the Placement will be subject to Shareholder approval which will be sought at the upcoming Annual General Meeting. It is a condition of the Placement that the investors of the Placement have the opportunity to participate in the Entitlement Offer. The Shares and Options under the Placement will be listed for Official Quotation and an application for Admission to trading on AIM will be made for the Shares issued under the Placement.

Underwriter Shortfall Options

In the event that the underwritten Shortfall pursuant to the Entitlement Offer is in aggregate, greater than 50%, the Company will issue the Underwriter (or its nominee), in addition to Underwriter Options, up to 231,610,545 Options on the same terms as the Entitlement Offer (i.e. on the basis of One (1) new Option for every three (3) New Shares subscribed for exercisable at \$0.011 on or before the end of the Exercise Period) (**Underwriter Shortfall Options**), subject to Shareholder approval which will be sought at the upcoming Annual General Meeting.

The Underwriter Shortfall Options are being issued for nil consideration as part of the fees paid to the Underwriter/sub-underwriters (or its nominees) pursuant to the Underwriting Agreement.

The Top-Up Placement

The Top-Up Placement (if any) will involve the issue of up to 126,166,797 Shares, 42,055,599 Options on the same terms as the Entitlement Offer (i.e. on the basis of One (1) new Option for every three (3) New Shares subscribed for exercisable at \$0.011 on or before the end of the Exercise Period), in the event that the total number of Shortfall equals less than 20% of the Entitlement Offer. The Underwriter in conjunction with the Company's Board have the exclusive right, but not obligation, to nominate and determine who is to participate in the Top-Up Placement (**Top-Up Placement**).

The Top-Up Placement Shares and Options issued under the Top-Up Placement will be issued on the same terms and conditions as the Entitlement Offer, subject to Shareholder approval which will be sought at the upcoming Annual General Meeting.

The Top-Up Placement will not be underwritten.

New Lanstead Shares

Pursuant to a financing agreement dated on or about November 2016, the Company agreed to issue Lanstead Capital LP 2,702,152 fully paid ordinary Shares (**New Lanstead Shares**) in respect of fees associated with a financing transaction. This fee was deferred and it has been agreed to issue these Shares following completion of the Entitlement Offer.

The New Lanstead Shares will be issued under the Company's available placement capacity.

New Redfield Options

The Company has agreed to issue Redfield 9,876,512 options exercisable on no less favourable terms as the Placement Options (refer to Section 6.3 and ASX announcement on 5 March 2018 for further details).

Redfield is considered to be a related party of the Company for the purposes of Rule 13 of the AIM Rules, being a substantial shareholder (holding 10% or greater of the Company's voting rights) within the 12 months preceding the agreement regarding the New Redfield Options. The agreement to issue the New Redfield Options is deemed a related party transaction pursuant to Rule 13 and Rule 16 of the AIM Rules. The Directors, having consulted with the Company's nominated adviser, consider that the terms of the issue of the New Redfield Options are fair and reasonable insofar as its shareholders are concerned.

5.7 Effect on Capital Structure from the Offers Under this Prospectus and the Offers not Under this Prospectus

The following table shows the possible effects of the Offers, on the capital structure of the Company under a number of different scenarios.

	Before Entitlement Offer	After Entitlement Offer			
		Scenario 1: No Entitlements Subscribed	Scenario 2: 50% of Entitlements Subscribed	Scenario 3: 80% of Entitlements Subscribed	Scenario 4: All Entitlements Subscribed
Total Shares as date of the Prospectus ⁽¹⁾	146,280,344	841,111,978	841,111,978	841,111,978	841,111,978
Total Options as at date of the Prospectus ⁽¹⁾	24,691,278	494,272,383	494,272,383	494,272,383	494,272,383
Underwriter Shortfall Options	Nil	231,610,545	115,805,272	Nil	Nil
Top-Up Placement Shares	Nil	Nil	Nil	126,166,797	126,166,797
Top-Up Placement Options	Nil	Nil	Nil	42,055,599	42,055,599
New Lanstead Shares	Nil	2,702,152	2,702,152	2,702,152	2,702,152
New Redfield Options	Nil	9,876,512	9,876,512	9,876,512	9,876,512
Total Shares after completion of the Offers	146,280,344	843,814,129	843,814,129	969,980,926	969,980,926
Total Options after completion of the Offers	24,691,278	735,759,438	619,954,166	546,204,493	546,204,493
Amount Raised ⁽³⁾		\$5,711,293	\$5,711,293	\$6,720,628	\$6,720,628

1. The 'Total Shares after the date of the Prospectus' and the 'Total Options after the date of the Prospectus' rows show the effect on Capital Structure from the Offers Under this Prospectus as set out in Section 5.5.
2. The 'Amount Raised' row refers to the amount the Company's cash reserves would increase by as a result of the Offers (before deducting the estimated expenses).

In the above table:

- (a) The Underwriter Shortfall Options, Top-Up Placement Shares and Top-Up Placement Options will be issued subject to Shareholder approval at the Company's upcoming Annual General Meeting.
- (b) The New Lanstead Shares and the New Redfield Options will be issued post the Entitlement Offer out of the Company's placement capacity.

5.8 Use of Funds

The proceeds from the Offers under this Prospectus, before expenses, will be up to \$5,711,294 (assuming the Placement has occurred, Entitlement Offer is fully subscribed and no Unlisted Options are exercised prior to the Record Date).

Proceeds of the Offers will contribute towards exploration at Quinchia and the Miraflores development plus general working capital including administration and corporate overheads of Australia and Colombia/Chile. Specifically, proceeds of the Offers will be used to:

- Advance the Company's exploration projects in Colombia;
- Continue permitting of the Miraflores Gold Project including completion of an Environmental Impact Statement;
- Payment of short term creditors; and
- General working capital.

The proceeds of the Offers are planned to be used as follows:

Use of Funds	Full Subscriptions	Percentage of funds raised
Exploration – Quinchia Project	\$1,100,000	19.3%
Development of Miraflores Gold Project	\$350,000	6.0%
Repayment of Convertible Notes	\$840,000	14.7%
RMB Australia Holding Limited Milestone Payment	\$1,000,000	17.5%
Payment of Current Creditors	\$400,000	7.0%
Working capital including costs of Australia corporate overhead	\$1,100,000	19.3%
Working capital including costs of Colombian/Chilean corporate overhead	\$250,000	4.4%
Expenses of the Offer *	\$550,000	9.6%
Contingency	\$121,293	2.4%
Gross Proceeds	\$5,711,293	100%

* Note: Please refer to Section 7.11 for further details of the expenses of the Entitlement Offer.

The above table is a statement of the Directors' current intention as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of the Entitlement Offer, operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Directors reserve the right to alter the way the funds are applied.

6. RIGHTS ATTACHING TO SHARES AND OPTIONS ISSUED

6.1 Rights Attaching to Shares

Shares issued under all Offers will rank equally with the existing Shares.

The rights and liabilities attaching to Shares are set out in the Constitution and are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Rules, the AIM Rules and general law. A copy of the Constitution is available for inspection at our registered office during normal business hours.

The following is a summary of the rights and liabilities attaching to Shares:

(a) General meetings

Each Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act, the Listing Rules or the AIM Rules.

The Directors may convene a general meeting whenever they think fit. The Constitution does not permit Shareholders to call a general meeting, although Shareholders may call a general meeting in accordance with the provisions of the Corporations Act.

A notice of general meeting must be given in accordance with the Corporations Act and must specify the place, date and time of the meeting, the general nature of the business to be transacted at the meeting, information regarding a Shareholder's right to appoint a proxy, and if a special resolution is to be proposed at the meeting, set out an intention to propose the special resolution and the text of the special resolution.

The quorum for a meeting of the Shareholders is two Shareholders and the quorum must be present at all times during the meeting.

(b) Voting

Subject to any rights or restrictions for the time being attached to any class of Shares whether by the terms of their issue, the Constitution, the Corporations Act, the Listing Rules or the AIM Rules, at a general meeting every Shareholder present in person or by a representative has one vote on a show of hands and every Shareholder present in person or by a representative, proxy or attorney has one vote per Share on a poll. Where there are two or more joint Shareholders and more than one of them is present at a meeting and tenders a vote in respect of the Share (whether in person or by proxy or attorney), the Company will count only the vote cast by the Shareholder whose name appears before the other(s) in the Company's register.

(c) **Alteration of Capital**

Subject to the Constitution, Corporations Act, Listing Rules and AIM Rules, the Company in general meeting may increase, divide, consolidate or reduce its share capital if it complies with the Constitution, Corporations Act, the Listing Rules and the AIM Rules.

(d) **Variation of rights**

Subject to the Constitution, Corporations Act, Listing Rules and the AIM Rules, if at any time the share capital is divided into different classes of shares, the rights attached to the shares in any class may be altered only by special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act, the Listing Rules and the AIM Rules and the Rules of the London Stock Exchange, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors or the ASX.

The Company must not prevent, delay or in any way interfere with the registration of a proper ASX Settlement transfer. However, the Company may decline to register a transfer of Shares in the circumstances described in the Constitution and where permitted to do so under the Listing Rules. If the Company declines to register a transfer, the Company must, within five business days after the transfer is lodged with the Company, give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of Shares when required by law, the Constitution, the Listing Rules or the ASX Settlement Rules.

(f) **Dividends**

The Directors, subject to the Constitution, the Corporations Act, the Listing Rules and the AIM Rules, may determine that a dividend is payable and fix the amount, the time for payment, and the method of payment. The Directors may, before declaring any dividend, set aside out of the profits of the Company, such sums as they think proper as reserves, which may be used in the business of the Company or be invested in such investments as the Directors think fit.

6.2 Terms of New Options

The rights attaching to the New Options are regulated by the Constitution, the Corporations Act, the Listing Rules and the general law.

The following is a summary of the key terms of the New Options in relation to the Entitlement Offer:

- (a) the Company will, in accordance with Listing Rule 2.8, make an application to have the New Options listed for Official Quotation on the ASX;
- (b) each New Option will have an exercise price of \$0.011;
- (c) each New Option will automatically lapse if not exercised on or before 1 June 2020;
- (d) each New Option shall entitle the holder to subscribe for and be allotted one ordinary share in the capital of the Company upon exercise of the New Option and payment to the Company of the Exercise Price;
- (e) a New Option may be exercised by the option holder at any time during the Exercise Period by sending a completed and signed notice of exercise, together with the payment of the Exercise Price to the Company;
- (f) a notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds;
- (g) subject to any restrictions in the Listing Rules, within 10 business days of receipt of a properly executed notice of exercise and the required exercise moneys, the number of ordinary shares specified in the notice will be allotted;
- (h) ordinary shares allotted pursuant to the exercise of the New Options will rank equally with the then issued ordinary shares of the Company;
- (i) the Company undertakes to apply for Official Quotation and Admission to trading on AIM of all ordinary shares allotted pursuant to the exercise of any Options, within 10 business days of the date of allotment of those new ordinary shares;
- (j) there will be no participating entitlements inherent in the New Options to participate in new issues of capital which may be offered to Shareholders during the currency of the New Options. Prior to any new pro rata issue of securities to Shareholders, holders of New Options will be notified by the Company and will be afforded seven (7) business days before the relevant record date (to determine entitlements to the issue), to exercise the New Options;
- (k) in the event of any reorganisation (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any New Options, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules and AIM Rules applying to a reorganisation of capital at the time of reorganisation;
- (l) if from time to time before the expiry of the New Options the Company makes an issue of ordinary shares to Shareholders by way of a bonus issue, other than in lieu of a dividend payment, then upon exercise of a New Option the option holder will be entitled to have issued to it (in addition to the ordinary shares which it is otherwise entitled to have issued to it upon such exercise) additional ordinary shares in the Company. The number of additional ordinary shares is

the number of ordinary shares which would have been issued to the option holder if the New Options had been exercised before the record date for the bonus issue; and

- (m) the New Options do not confer the right to a change in the Exercise Price, or a change to the number of underlying securities over which it can be exercised, other than under paragraphs 6.2(k) and 6.2(l) above.

6.3 Terms of Placement Options, Underwriter Options, Underwriter Shortfall Options, Top-Up Placement Options and New Redfield Options

The following is a summary of the key terms of the Options in relation to the Placement Options, Underwriter Options, Underwriter Shortfall Options, Top-Up Placement Options and New Redfield Options:

- (a) the Company will, in accordance with Listing Rule 2.8, make an application to have the Options listed for Official Quotation;
- (b) each Option will have an exercise price of \$0.011;
- (c) each Option will automatically lapse if not exercised on or before 1 June 2020;
- (d) each Option shall entitle the holder to subscribe for and be allotted one ordinary share in the capital of the Company upon exercise of the Option and payment to the Company of the Exercise Price;
- (e) an Option may be exercised by the option holder at any time during the Exercise Period by sending a completed and signed notice of exercise, together with the payment of the Exercise Price to the Company;
- (f) a notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds;
- (g) subject to any restrictions in the Listing Rules, within 10 business days of receipt of a property executed notice of exercise and the required exercise moneys, the number of ordinary shares specified in the notice will be allotted;
- (h) ordinary shares allotted pursuant to the exercise of the Options will rank equally with the then issued ordinary shares of the Company;
- (i) the Company undertakes to apply for Official Quotation and Admission to trading on AIM of all ordinary shares allotted pursuant to the exercise of any Options, within 10 business days of the date of allotment of those new ordinary shares;
- (j) there will be no participating entitlements inherent in the Options to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded seven (7) business days before the relevant record date (to determine entitlements to the issue), to exercise the Options;

- (k) in the event of any reorganisation (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Options, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules and AIM Rules applying to a reorganisation of capital at the time of reorganisation;
- (l) if from time to time before the expiry of the Options the Company makes an issue of ordinary shares to Shareholders by way of a bonus issue, other than in lieu of a dividend payment, then upon exercise of an Option the option holder will be entitled to have issued to it (in addition to the ordinary shares which it is otherwise entitled to have issued to it upon such exercise) additional ordinary shares in the Company. The number of additional ordinary shares is the number of ordinary shares which would have been issued to the option holder if the Options had been exercised before the record date for the bonus issue; and
- (m) the Options do not confer the right to a change in the Exercise Price, or a change to the number of underlying securities over which it can be exercised, other than under paragraphs 6.3(k) and 6.3(l) above.

7. ADDITIONAL INFORMATION

7.1 Material Contracts

(a) *Underwriting Agreement*

By an agreement between the Underwriter and the Company dated 23 March 2018 (**Underwriting Agreement**), the Underwriter agreed to fully underwrite the Entitlement Offer and facilitate a non-underwritten Top-Up Placement (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay or issue the Underwriter with the following on completion of the Entitlement Offer:

- (i) (**Underwriting fee**): an underwriting fee of 6.5% of the gross amount raised in the Entitlement Offer;
- (ii) (**Selling fee**): a selling fee of 6.5% on the gross amount raised in the Top-Up Placement (if any);
- (iii) (**Corporate advisory fee**): a fee of \$80,000 for corporate advisory services;
- (iv) (**Underwriter Options**): subject to Shareholder approval being obtained (to the extent required), 231,610,545 Options exercisable on the same terms as the New Options;
- (v) (**Underwriter Shortfall Options**): in the event that the total number of Shortfall Shares equals greater than 50% of the Underwritten Shares, subject to Shareholder approval being obtained (to the extent required), up to 231,610,545 Options exercisable on the same terms as the New Options; and
- (vi) (**Termination fee**): in the event that the Company terminates the Underwriting Agreement, the Underwriter will be entitled to a termination fee of \$40,000 together with the reimbursement of any incurred or accrued expenses up to the date of termination.

In addition to the above fees, the Company is required to pay and indemnify the Underwriter against all costs and expenses of and incidental to the Entitlement Offer.

As is normal for agreements of this nature, the Underwriter may terminate their obligations under the Underwriting Agreement if certain events occur before completion of the Entitlement Offer (**Unqualified Termination Events**). In respect of the occurrence of certain other events, the Underwriter's ability to terminate is limited to circumstances in which the Underwriter is of the reasonable opinion reached in good faith that the event has had or could be expected to have a material adverse effect on the outcome of the Entitlement Offer or the event can be expected to give rise to a liability for the Underwriter under the Corporations Act or otherwise (**Qualified Termination Events**).

The Unqualified Termination Events include (but are not limited to):

- (i) (**Indices fall**): at any time, either the Standards & Poors/ASX Small Resources Index or the Small Ordinaries Index is at a level that is 10.0% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement for two consecutive normal trading days;
- (ii) (**Share price**): the Company's Shares quoted on the ASX and trading under the ASX code "MNC" close lower than the issue price for the Entitlement Offer for three consecutive normal trading days;
- (iii) (**Breach of material contracts**): any of any material contracts or contracts described in the Prospectus (other than this Underwriting Agreement) is breached, not complied with according to its terms, terminated or substantially modified other than as disclosed in the Prospectus or by the Company on ASX;
- (iv) (**New circumstances**): there occurs a new circumstance that arises after the Prospectus is lodged that would have been required to be included in the Prospectus if it had arisen before lodgement and is in the reasonable opinion of the Underwriter that it is materially adverse from the point of view of an investor;
- (v) (**Non compliance with disclosure requirements**): it transpires that the Prospectus does not contain all the information required by the Corporations Act; or
- (vi) (**Misleading Prospectus**): it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (vii) (**Hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, the United Kingdom, the United States of America, or the Peoples Republic of China or Colombia, Chile or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world; or
- (viii) (**Authorisation**): any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter.

The Qualified Termination Events include (but are not limited to):

- (i) (**Default**): default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
- (ii) (**Incorrect or untrue representation**): any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;

- (iii) **(Contravention of constitution or law)**: a contravention by the Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (iv) **(Failure to disclose)**: it transpires that the Company has in the past failed to disclose material information to the ASX;
- (v) **(Adverse change)**: any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts (including expected time until production), losses, prospects, business or operations of the Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (vi) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Entitlement Offer or the Prospectus;
- (vii) **(Suspension of debt payments)**: the Company suspends payment of any debts (if applicable) generally; or
- (viii) **(Market conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the European Union, the United States of America or other international financial markets.

The Underwriting Agreement contains various representations and warranties made by the Underwriters and the Company, which are customary in such an agreement. The Company is not liable for any inaccuracy or breach of the warranties or representations if the inaccuracy or breach is, or the facts giving rise to the inaccuracy or breach were made known to the Underwriter in writing.

The Company has agreed to indemnify the Underwriters and its officers, employees, agents and advisers jointly and severally and hold them harmless from and against all prosecutions, losses, penalties, actions, suits, claims, expenses, costs (including legal costs and disbursements on a full indemnity basis), liabilities, charges, outgoings, payments, demands and proceedings suffered, incurred, paid or liable to be paid directly or indirectly in connection with the Offer or the Underwriting Agreement. This is limited to losses other than losses caused from the wilful default, fraud, negligence or breach of contract of the Underwriter or an indemnified party.

(b) Redfield Asset Management Pty Ltd Convertible Note Deed (Note Deed) – Agreement to Redeem

The Company entered into an Agreement to Redeem with Redfield Asset Management Pty Ltd (**Redfield**) dated 27 February 2018 and a Deed of Variation relating to the Agreement to Redeem dated on or about 23 March 2018 that provides for the redemption of the convertible note held by Redfield and cancellation of the general meeting of the Company scheduled for 2 March 2018.

The Company will pay a Redemption Amount of approximately A\$840,000 on or before 24 April 2018.

The Company has agreed to issue Redfield 9,876,512 options exercisable on no less favourable terms as the Placement Options (refer to Section 6.3 and ASX announcement on 5 March 2018 for further details).

The Agreement to Redeem is terminated and the date the Company pays the Redemption Amount is accelerated if, amongst other things:

- (i) an event of default occurs under the Note Deed;
- (ii) there is a failure to comply with, or a breach of certain Company's obligations under the Agreement to Redeem;
- (iii) the Company or its subsidiaries is subject to insolvency;
- (iv) a representation or warranty made by the Company under the Agreement to Redeem or the Note Deed is found to be or becomes incorrect, false or misleading; or
- (v) an announcement by the Company on the ASX to the effect that it is no longer progressing or is unable to progress the Entitlement Offer.

In any case, the Agreement to Redeem will be terminated at 2pm AEST on 24 April 2018 and if the Company fails to pay the Redemption Amount of approximately A\$840,000 by that date, Redfield can exercise its rights under the Note Deed with respect to the general meeting of the Company (scheduled on 2 March 2018 however cancelled). The termination of the Agreement to Redeem does not affect the Company's obligation to issue the New Redfield Options.

(c) Ausenco MOU

Under the terms of a Memorandum of Understanding with Ausenco Chile Limitada (**Ausenco**), Ausenco has agreed to defer costs accrued to December 2017 to Metminco for the provision of engineering services in connection with the Miraflores Project (amounting to \$559,000) until the construction of the Project. In return for this, Metminco has agreed that Ausenco will provide a Guaranteed Maximum Price and a Lump Sum Turnkey price, and will enter into an EPC, for the development of Miraflores. If Metminco withdraws from this agreement, Metminco has agreed to pay Ausenco \$838,500.

(d) Kevin Wilson Proposed Executive Chairman – Executive Services Agreement

It is intended that Kevin Wilson will join the Board of the company as Executive Chairman once this Prospectus has been lodged with ASIC. The key terms of Mr Wilson's Executive Service Agreement, which will be executed prior to him joining the Board, are as follows:

- Annual fixed salary of \$200,000 including statutory superannuation;
- Annual bonus based on his performance in meeting targets and goals as determined by the Board;

- Right to participate in a Long Term Incentive scheme. Set by the Board, and subject to shareholder approval, this is expected to comprise the issue of Performance Rights which convert to ordinary shares on meeting performance and share price vesting conditions. It is the intention of the Board to propose to seek shareholder approval at the Company's upcoming Annual General Meeting for the issue of a total of up 58 million Performance Rights over approximately three years, split into five equal tranches of approximately 11.6 million Performance Rights with both performance and share price vesting conditions:
 - Tranche 1 vesting on a 30 day VWAP of 1.2c before December 31 2018;
 - Tranche 2 vesting on 30 day VWAP of 1.6c before December 31, 2019;
 - Tranche 3 vesting on delivery of resource of at least 1 million ounces gold at Tesorito before December 31, 2019;
 - Tranche 4 vesting on 30 day VWAP of 2.4c before December 31, 2020; and
 - Tranche 5 vesting on delivery of a resource of at least 1 million ounces gold at Chuscal before December 31, 2020.
- Termination. Under certain conditions, Mr Wilson will have the right to receive termination payout in cash equal to six months' annual salary.

(e) Graeme Hogan – Company Secretary and CFO - Executive Services Agreement

Graeme Hogan joined the company as Chief Financial Officer on 4th December 2017 and was appointed Company Secretary on 11th December 2017. The key terms of Mr Hogan's Executive Service Agreement are an annual fixed salary of \$210,000 including statutory superannuation, which on completion of the financing for the Miraflores Gold Project, will be set at \$300,000.

7.2 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings in Australia or elsewhere and the Directors and senior managers are not aware of any legal proceedings pending or threatened against the Company or themselves.

7.3 Board and Management

As noted in Section 1, the Board and Company Secretary include:

William Howe

Managing Director, B.Sc., Fellow of the AusIMM

William was appointed to the Board on 17 July 2009. William, Hampton Mining founder, has over 30 years' experience in the mining industry and has worked in southern and west Africa, Australia, South East Asia and North and South America. He has been instrumental in the development of a number of new mining operations in Australia and South East Asia including the development and management of the first copper heap leach operation in Australia. He specialises in optimising existing operations in addition to the development of new operations, both in underground and open pit environments, and has extensive experience in mine development, mine management and corporate management. William was a founding

director of Straits Resources Limited and was Managing Director of Ghana Gold Mines Limited, Hargraves Resources NL, Selwyn Mines Limited and Hampton Mining Limited.

Dr Roger Higgins

Non-Executive Director, BE, MSc, and PhD, Fellow of the AusIMM

Roger was appointed to the Board on 8 October 2013. He has over 40 years of mining industry experience, which has included environmental, strategy, project development and operational roles. He commenced working in the industry as an engineering hydrologist working on pit flooding and tailings disposal issues. Subsequent experience included responsibility for projects and operations in arid Australia and the deserts of northern Chile, as well as in eastern and western Canada.

Roger's earlier career included various hydrology related positions in Papua New Guinea (Australian Government and Bougainville Copper), and 4-years at the University of New South Wales, where he completed a PhD in water resource economics. He subsequently spent 26-years with BHP as Manager Planning and Development BHP Copper, General Mine Manager Escondida, Managing Director Ok Tedi, Vice President Project Development Chile and Vice President and Chief Operating Officer Australia, responsible for the Olympic Dam and Cannington mines. Thereafter he spent 5-years with Teck Resources Limited as Senior Vice President Copper in Vancouver BC where he was responsible for Teck's copper business unit and its related operations in Canada, Chile and Peru.

Francisco Vergara-Irarrazaval

Non-Executive Director

Francisco was appointed to the Board on 01 April 2010. He has over 30 years' experience in the mining industry in Chile and other Latin American countries where he was Vice President of Compañía Minera El Indio and Compañía Minera San Jose, subsidiaries of St. Joe Minerals Corporation until 1991. In 1991, he established Vergara & Cia, Law Firm, providing legal services to different mining companies and international engineering firms focused in natural resources, energy, shipping, salmon industry in Chile and agriculture. He has also acted as legal counsel on behalf of foreign governments through their embassies in Chile, and has served as a Director on listed companies, and Chairman and Director of a number of unlisted companies.

Ram Venkat

Former Non-Executive Director, MBA, BaSC

Mr. Venkat was a former director of the Company and resigned from his position as Non-Executive Director, effective Monday 19 March 2018.

Graeme Hogan

Chief Financial Officer/Company Secretary, B.Com; FCPA, FGIA

Appointed as Chief Financial Officer on 4 December 2017 and Company Secretary on 11 December 2017. Graeme is a finance professional with over 25 years' experience in the resources sector in various senior executive roles. He has worked with companies in the gold, gold/copper, calcium carbonate, gas, coal & iron ore sectors. He has also held senior roles with companies in the agriculture, FMCG and aged care sectors.

His experience includes IPOs, debt & equity fund raisings, treasury, statutory & ASX reporting compliance plus company secretarial.

Kevin Wilson

Proposed Executive Chairman BSc, ARSM, MBA

Mr Wilson has over 30 years' experience in the minerals and finance industries. He was the Managing Director of Rey Resources Limited, an Australian energy exploration company, from 2008 to 2016 and the Managing Director of Leviathan Resources Limited, a Victorian gold mining company, from its initial public offering in 2005 through to its sale in 2006. He has prior experience as a geologist with the Anglo American Group in Africa and North America and as a stockbroking analyst and investment banker with CS First Boston and Merrill Lynch in Australia and USA.

Mr Wilson is currently also Chairman (non-executive) of Navarre Minerals Limited and non-executive director of Investigator Resources Limited.

It is proposed that Kevin Wilson be appointed as a Director and Executive Chairman of the Company immediately after lodgement of this Prospectus with ASIC and William Howe will resign as a director of the Company post lodgement of this Prospectus with ASIC. It is further noted that William Howe will remain as an employee, Chief Operating Officer, of the Company.

7.4 Interests of Experts and Advisers

Except as disclosed in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the date of this Prospectus, or has held at any time during the last two years prior to the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or with the Entitlement Offer; or
- (c) the Entitlement Offer,

nor has anyone paid, or agreed to pay, any amount or given, or agreed to give, any benefit to any such person in connection with the promotion or formation of the Company or with the Entitlement Offer.

7.5 Unlisted Options

As at the date of this Prospectus, the Company has 24,691,278 Unlisted Options outstanding, consisting of:

No. shares under option	Exercise price of option	Expiry date of options
12,345,639	\$0.081 ⁽¹⁾	17 May 2019
12,345,639	\$0.081 ⁽¹⁾	25 May 2019

1. These options are subject to repricing according to an exercise price re-adjustment formula in accordance with Listing Rule 6.22.2.

7.6 Consents

Each of the parties referred to below:

- (a) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by any of those parties (unless expressly stated to the contrary in this Section 7.6);
- (b) has had no involvement in the preparation of this Prospectus (unless expressly stated to the contrary in this Section 7.6);
- (c) has not authorised or caused the issue of this Prospectus; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of the Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 7.6.

Dentons has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the legal advisers to the Company in the form and context in which it is named.

Link Markets Services ABN 54 083 214 537 has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named.

Grant Thornton has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the auditor in the form and context in which it is named.

Patersons Securities Limited ACN 008 896 311 has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the Underwriter in the form and context in which it is named.

Redfield has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the holder of convertible notes and Unlisted options in the form and context in which it is named.

Lanstead Capital LP has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the holder of existing shares of the Company in the form and context in which it is named.

Lanstead III has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as the holder of existing shares of the Company in the form and context in which it is named.

Ausenco Chile Limitada has given, and at the date hereof has not withdrawn, its written consent to be named in this Prospectus as a provider of engineering services to the Company, in the form and context in which it is named.

Kevin Wilson has given, and at the date hereof has not withdrawn, his written consent to be named in this Prospectus as a proposed director of the Company in the form and context in which he is named.

Ram Venkat has given, and at the date hereof has not withdrawn, his written consent to be named in this Prospectus as a former director of the Company in the form and context in which he is named.

Copies of the consents referred to above are available for inspection, without charge, at the registered office of the Company during office hours.

There are other persons referred to in this Prospectus who have not made statements included in this Prospectus (including by incorporation by reference). There are no statements made in this Prospectus on the basis of any statements made by these persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

7.7 Nature of this Prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Entitlement Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Entitlement Offer on the Company and the effect on control of the Shareholders;
- (b) the rights and liabilities attaching to the New Shares; and
- (c) the rights and liabilities attaching to the New Options.

You must read the Prospectus in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and AIM. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. You should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

7.8 Continuous Disclosure and Documents Available for Inspection

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act. As such we are subject to regular reporting and disclosure obligations which require us to disclose to the ASX any information which we are aware of, or become aware of, concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company. The Company is also subject to the continuous disclosure obligations imposed by the AIM Rules, which have similar requirements.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, an ASIC office.

The New Shares are shares that are in the same class as the Shares of the Company that are and have been quoted on the ASX and have been admitted to trading on AIM at all times in the three months before the date of this Prospectus.

We will provide a copy of each of the following documents, free of charge, to any person who asks for it, during the application period for this Prospectus:

- (a) the Company's annual financial report for the financial year ended 31 December 2016 (being the last annual financial report lodged with ASIC in relation to the Company before the issue of this Prospectus);
- (b) the Company's half-year results for the period ending 30 June 2017; and
- (c) all continuous disclosure notices on ASX given by the Company after the lodgement of the annual financial report referred to in paragraph (a) above and before the lodgement of this Prospectus with ASIC being:

Date	Description
23/03/2018	Revised Entitlement Issue
21/03/2018	Trading Halt
19/03/2018	Appendix 3Z - Ram Venkat
19/03/2018	Director Resignation - Ram Venkat
15/03/2018	Ceasing to be a substantial holder
12/03/2018	Update - Rights Issue Timetable
09/03/2018	Response to ASX Price Query
05/03/2018	Reinstatement to Official Quotation
05/03/2018	Rights Issue & Placement
02/03/2018	Suspension from Official Quotation
01/03/2018	Voluntary Suspension Request
28/02/2018	Trading Halt Request
28/02/2018	2 March Shareholder Meeting cancelled
08/02/2018	Becoming a substantial holder
08/02/2018	Change in substantial holding
01/02/2018	December 2017 Qtr Report inc App 5B
29/01/2018	Plan of Works (PTO) submitted to Colombian Mining Agency

Date	Description
25/01/2018	Notice of Meeting – EGM 2 March 2018
27/12/2017	Change in substantial holding
11/12/2017	Appointment/Resignation Company Secretary
27/11/2017	Miraflores Reserves Release Update
31/10/2017	Quarterly Report – 30 September 2017 and Appendix 5B
30/10/2017	Miraflores Feasibility Study – update
18/10/2017	Miraflores Feasibility Study
18/10/2017	Miraflores Reserves Release
16/10/2017	Response to ASX Price Query
10/10/2017	Appendix 3Y
04/10/2017	Sale of Small Holdings completed
14/09/2017	Approval to commence underground development at Miraflores
13/09/2017	Report for the Half Year ended 30 June 2017
31/08/2017	Expiry of unlisted options
03/08/2017	Chairman resignation
01/08/2017	June 2017 Quarterly Report & Appendix 5B
14/07/2017	Change of Company Secretary & CFO
14/07/2017	Sale of Small Holdings
27/06/2017	Settlement of Los Calatos Sale
14/06/2017	Investor Q & A – Sale of Interest in Los Calatos
14/06/2017	Sale of Interest in Los Calatos for US\$5m (A\$6.7m)
14/06/2017	Change in substantial holding
30/05/2017	Amendment – Additional Disclosure
25/05/2017	Appendix 3B – Options
25/05/2017	Appendix 3B – Convertible Notes & Options
23/05/2017	AGM Presentation – 23 May 2017

Date	Description
23/05/2017	Results of 2016 AGM
22/05/2017	Funding Update
08/05/2017	In Specie Distribution – Update
01/05/2017	Corporate Governance Statement
01/05/2017	Appendix 4G
01/05/2017	March 17 Quarterly Report & Appendix 5B
24/04/2017	Notice of Annual General Meeting and 2016 Annual Report
21/04/2017	Response to ASX Appendix 3X Query
03/04/2017	Financial Report – 31 December 2016

If you require any further information in relation to the Company, it is recommended that you take advantage of the ability to inspect or obtain copies of disclosures made by the Company as referred to above.

7.9 Corporate Governance

The Board is responsible for the corporate governance of the Company and strives for high standards in this regard. The Board draws on relevant best practice principles, particularly those issued by the ASX Corporate Governance Council, to monitor the business and affairs of the Company on your behalf. Whilst the Board attempts to adhere to the principles proposed by the ASX, it is mindful that there may be some instances where compliance is not practicable for a company of our size.

7.10 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please contact us and we will send you either a hard copy or a further electronic copy of the Prospectus free of charge. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <http://www.metminco.com.au>.

We reserve the right not to accept an Entitlement and Acceptance Form from any Shareholder if we have reason to believe that when that Shareholder accessed the electronic version of the Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

7.11 Expenses of the Entitlement Offer

The estimated expenses connected with the Entitlement Offer, which are payable by the Company, are as follows:

ASIC lodgement fees	\$2,400
ASX fees	\$34,920
AIM fees	\$8,274
Dentons fees	\$25,000
Share Registry fees	\$23,250
Lead manager fees	\$80,000
Underwriting Fees	\$371,234
Nominee fees	\$646
Other costs	\$4,276
Total	\$550,000

8. DIRECTORS' CONSENTS

Each Director of the Company has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent prior to lodgement of this Prospectus.

Dated 23.3.2018

A handwritten signature in black ink, appearing to be 'William Howe', written in a cursive style.

William Howe

Managing Director

Metminco Limited

9. DEFINITIONS

A\$ or \$ means an Australian dollar unless otherwise stated.

AEST means Australian Eastern Standard Time.

AIM means the Alternative Investment Market, a sub-market of the London Stock Exchange.

AIM Admission means the admission to trading on AIM in accordance with the AIM Rules and the Rules of the London Stock Exchange.

AIM Rules means the AIM Rules for Companies, as amended from time to time.

Annual General Meeting means the upcoming Annual General Meeting of the Company to be held on or before 31 May 2018.

Application Money means money received from Shareholders in respect of the Entitlement Offer and the Shortfall Offer.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Rules means the operating rules of the settlement facility of the ASX.

Board means the board of Directors as constituted from time to time, unless the context indicates otherwise.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means 17 April 2018.

Company means Metminco Limited ACN 119 759 349.

Consolidated Group means Metminco Limited and its wholly owned subsidiaries for financial reporting purposes.

Constitution means the Company's constitution.

Converted Share means a Share purchased by exercising a New Option.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company in office at the date of this Prospectus.

EL means exploration licence.

Eligible Shareholder means a Shareholder on the register of members of the Company on the Record Date and who is not an Ineligible Shareholder.

Entitlement means the entitlement of an Eligible Shareholder to subscribe for nine and a half (9.5) New Shares for every two (2) Shares held by Eligible Shareholders on the Record Date. Each three (3) New Shares will be issued together with one free attaching New Option, exercisable at \$0.011 each on or before the end of the Exercise Period.

Entitlement Offer means the offer made under this Prospectus in respect of a pro-rata issue of Shares at an offer price of \$0.008 per New Share on the basis of nine and a half (9.5) New Shares for every two (2) Shares held by Eligible Shareholders on the Record Date, with one free attaching New Option to be issued in respect of every three (3) New Shares issued to Eligible Shareholders.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form either attached to or accompanying this Prospectus relating to the Entitlement Offer.

Exercise Period means the period in which the New Options may be exercised, being a period that commences on the date of issue of the New Options and ends on or before 1 June 2020.

GST means any tax, levy, charge or impost implemented or administered under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**Act**) or an act of the Parliament of the Commonwealth of Australia substantially in the form of, or which has a similar effect to, the Act.

Ineligible Shareholder means a Shareholder whose address, as shown in the Company's share register, is a place outside of Australia or New Zealand.

JORC means the Joint Ore Reserves Committee.

Listing Rules means the official listing rules of the ASX.

New Options means one (1) free attaching new Option for every three (3) New Shares issued to Eligible Shareholders, exercisable at \$0.011 during the Exercise Period. The Company intends to seek quotation on ASX for the New Options.

New Shares means a Share offered for subscription on the basis of, and under the terms of, the Entitlement Offer.

Offers means the Entitlement Offer, the Placement Options Offer and the Underwriter Options Offer.

Official Quotation means official quotation by the ASX in accordance with the Listing Rules.

Option means an option to purchase a Share at a given price within a specified time.

Optionholder means a holder of an Unlisted Option.

Placement means the placement to sophisticated and institutional investors on the terms and conditions set out in Section 5.6 of this Prospectus.

Placement Options means Options issued under the Placement Options Offer, subject to Shareholder approval.

Placement Options Offer means the offer of up to 6,360,015 Options exercisable on the same terms as the Entitlement to Subscribers, on the basis of one (1) option for every three (3) Shares subscribed for by those Subscribers under the Placement.

Placement Shares means the Shares issued under the Placement to sophisticated and institutional investors on the terms and conditions set out in Section 5.6 of this Prospectus.

Prospectus means the prospectus constituted by this document.

Record Date means 5:00pm (EST) on 28 March 2018 for Australian register and 5.00pm (London Time) for UK register.

Rules of the London Stock Exchange means the Rules of the London Stock Exchange as amended from time to time.

Section refers to a section in this Prospectus.

Share means one fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Link Market Services (ABN 54 083 214 537).

Shortfall means those New Shares and New Options under the Entitlement Offer not applied for by Eligible Shareholders under their Entitlement by the Closing Date and offered under the Shortfall Offer.

Shortfall Offer means the offer described in Section 4.4 in respect of the Shortfall.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Subscribers has the meaning given at Section 4.2 of this Prospectus.

Top-Up Placement has the meaning given to that term in Section 5.6 of this Prospectus.

Top-Up Placement Options means the Options to be issued under the Top-Up Placement on the same terms and conditions as the Entitlement Offer, subject to Shareholder approval.

Underwriter Options means the 231,610,545 Options to be issued to the Underwriter pursuant to the Underwriting Agreement, subject to Shareholder approval

Underwriter Options Offer means the offer of 231,610,545 Options to the Underwriter pursuant to the Underwriting Agreement, subject to Shareholder approval.

Underwriter Options Offer Application Form means the personalised application form addressed to the Underwriter in relation to the Underwriter Options Offer.

Underwriter Shortfall Offer means up to 231,610,545 options exercisable on the same terms as the Options, subject to Shareholder approval.

Underwriter Shortfall Options has the meaning given to it at Section 5.6 of this Prospectus.

Underwriting Agreement has the meaning given to that term in Section 7.1(a) of this Prospectus. **Unlisted Options** means the 24,691,278 unlisted Options on issue in the Company as at the date of this Prospectus.

We, us or **our** means Metminco Limited ACN 119 759 349.

You or **your** means the Eligible Shareholder that is a recipient of this Prospectus.



Metminco Limited

ABN 43 119 759 349

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
ASX Code: MNC
Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Subregister:

**Number of Eligible Shares held as
at the Record Date, 5:00pm (AEST)
on 28 March 2018:**

**Entitlement to New Shares
(on a 9.5 New Share for 2 basis):**

**Amount payable on full acceptance
at A\$0.008 per Share:**

**Offer Closes
5.00pm (AEST): 17 April 2018**

ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Shareholder you are entitled to acquire 9.5 New Shares for every 2 Existing Shares that you hold on the Record Date, at an Offer Price of A\$0.008 per New Share ,together with 1 free attaching New Option exercisable at A\$0.011 on or before 1 June 2020 for every 3 New Shares issued. You may also apply for New Shares in excess of your Entitlement, at the Offer Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Offer is being made under the Prospectus dated 23 March 2018 . The Prospectus contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Prospectus. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus.

If you do not have a paper copy of the Prospectus, you can obtain a paper copy at no charge, by calling the Metminco Limited Offer Information Line on 1300 554 474 (within Australia) or +61 1300 554 474 (from outside Australia).

PAYMENT OPTIONS

If you wish to take up all or part of your Entitlement (as shown above), or take up all of your Entitlement and apply for additional New Shares, you have two payment options detailed below.

OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return the acceptance slip below if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5.00pm (AEST) on 17 April 2018. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Application Form for the number of Shares subject of your application payment.

OPTION 2: PAYING BY CHEQUE

If paying by cheque, complete and return the acceptance slip below with your Application Monies. No signature is required on the acceptance slip. The acceptance slip with your Application Monies must be received by the Registry before 5.00pm (AEST) on 17 April 2018.



Biller Code: [XXXXXXX]
Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
® Registered to BPAY Pty Ltd ABN 69 079 137 518

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance Form. If you do not take up or sell your rights, you may not receive any value for them. It is important that you decide whether to accept or sell your rights in accordance with the Prospectus.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Metminco Limited
ABN 43 119 759 349

Please detach and enclose with payment



SRN/HIN:
Entitlement Number:

A Number of New Shares accepted (being not more than your Entitlement shown above)

B Number of additional New Shares

C Total number of New Shares accepted (add Boxes A and B)

+ =

D PLEASE INSERT CHEQUE DETAILS – Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “Metminco Limited” and crossed “Not Negotiable”.

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

E CONTACT DETAILS – Telephone Number

Telephone Number – After Hours

Contact Name

METMINCO LIMITED

The Entitlement Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia, New Zealand, Chile and the United Kingdom. In particular the Entitlement Offer is not being made to any person in the U.S. or to a U.S. person. The Prospectus and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

ACCEPTANCE OF ENTITLEMENT OFFER

By either returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant that you have read and understood the Prospectus and that you acknowledge the matters, and make the warranties and representations;
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Metminco Limited.

HOW TO APPLY FOR NEW SHARES

1. IF PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: www.bpay.com.au

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.008.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

2. IF PAYING BY CHEQUE

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

A. Acceptance of New Shares

Enter into Box A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

B. Application for Additional New Shares

You can apply for more New Shares than your Entitlement. Please enter the number of **additional** New Shares above your Entitlement for which you wish to apply into Box B. Your Application for additional New Shares may not be successful (wholly or partially). The decision of Metminco Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and

Box B and enter this in Box C.

D. Cheque details

Enter your cheque details in section D. Cheques must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Metminco Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque for the incorrect amount, Metminco Limited may treat you as applying for as many New Shares and Additional New Shares as your cheque will pay for.

E. Contact details

Enter your contact telephone number where we may contact you regarding your acceptance of New Shares, if necessary.

3. SALE OF YOUR ENTITLEMENT IN FULL OR IN PART BY YOUR STOCKBROKER AND ACCEPTANCE OF THE BALANCE

If you wish to sell all of your Rights through your stockbroker or if you wish to sell part of your Rights through your stockbroker and accept the balance you should contact your stockbroker and provide details as requested which appear overleaf.

You should complete the "Instructions to your Stockbroker" panel below and forward this Entitlement and Acceptance Form to your stockbroker.

Instructions to your Stockbroker

I/We have accepted	<input type="text"/>
	New Shares as per reverse side
And attach a cheque for	<input type="text" value="A\$"/>
	being acceptance monies at A\$0.008 per New Share
I/We wish to sell	<input type="text"/>
	Rights to Ordinary Shares

4. DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER

A renunciation form must be used for all other transactions. These forms may be obtained from the Metminco Limited Registry or your stockbroker.

5. OVERSEAS SHAREHOLDERS

The Prospectus and Entitlement and Acceptance Form do not constitute an offer of securities in any jurisdiction outside of Australia, New Zealand, Chile and the United Kingdom or to any person to whom it would not be lawful to issue the Prospectus. By applying for New Shares under this Entitlement and Acceptance Form or by accepting this offer, you represent and warrant that applying for New Shares does not breach any law in any relevant overseas jurisdiction.

6. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

A reply paid envelope is enclosed for your use. No postage stamp is required if it is posted in Australia. Alternatively, if you have lost the reply paid envelope, or you have obtained the Prospectus electronically, your completed Entitlement and Acceptance Form with the payment for New Shares may be mailed to the postal address, or delivered by hand to the delivery address, set out below. **If paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Metminco Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Hand Delivery

Metminco Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5.00pm (AEST) on 17 April 2018. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Metminco Limited reserves the right not to process any Acceptance Slips and cheques received after the Closing Date.

If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Metminco Limited Offer Information Line on 1300 554 474 (within Australia) or +61 1300 554 474 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.