

SETTLEMENT OF PURCHASE - COLOMBIAN GOLD PROJECT

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) is pleased to announce that, further to the announcement of 31 May 2016, settlement of the purchase of Minera Seafield SAS from RMB Australia Holdings Limited (“RMB”) has occurred, effective today, 21 June 2016 (“Settlement”).

RMB has now received the required approvals to settle the transaction, and in accordance with the Sale and Purchase Agreement, the Company issued 350 million fully paid ordinary shares in Metminco to RMB (“Consideration Shares”) on 20 June 2016. It has also reimbursed RMB for expenses incurred by Minera Seafield for the period from execution of the Offer Letter to the end of April 2016, totalling A\$165,000. A final reconciliation of expenses for the period 30 April 2016 to Settlement will be completed by the parties one month after Settlement.

The Company has made an application for the Consideration Shares to be admitted to trading on AIM and the ASX (“Admission”), with Admission expected to take place on 24 June 2016. The Consideration Shares will rank *pari passu* in all respects with all existing ordinary shares in the Company.

Following admission of the Consideration Shares, the Company's enlarged issued share capital will be 3,879,053,547 ordinary shares. This figure of 3,879,053,547 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company.

As a result of the issue of the Consideration Shares, RMB has become a substantial shareholder of Metminco, holding 400,000,000 shares, equivalent to 10.3% of the Company.

Mr William Howe, Managing Director, commented: “Settlement of the Minera Seafield transaction marks an important milestone for Metminco. We are very pleased to have completed the purchase of this important strategic acquisition on such favourable terms. The Quinchia Portfolio diversifies our portfolio, enabling Metminco to become a near term gold producer, whilst complementing our ongoing activities in Peru and Chile.

The immediate focus will be on the development of the highly attractive and technically robust Miraflores Gold Project.”



William Howe

Managing Director

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Forward Looking Statement

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Metminco are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “future”, “intend”, “may”, “opportunity”, “plan”, “potential”, “project”, “seek”, “will” and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Metminco that could cause Metminco’s actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Metminco does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.