

## PRESENTATION – LOS CALATOS HIGH GRADE DEVELOPMENT OPTION

---

Metminco Ltd (ASX : MNC; AIM : MNC) is pleased to announce that it has today released a presentation in relation to the results of the Strategic Mining Study Report recently completed by RungePincockMinarco (“RPM”) and released to the market on 21 September 2015 for its wholly owned Los Calatos copper molybdenum project, located in southern Peru.

A copy of the attached presentation can also be downloaded from the Company's website [www.metminco.com.au](http://www.metminco.com.au).



Philip W Killen  
Company Secretary

## Company Background

Metminco is a dual ASX and AIM listed company with a portfolio of copper, molybdenum and gold projects in Peru and Chile.

## Projects and Mineral Resources

The Los Calatos Project, located in southern Peru, has a total estimated mineral resource of 352 million tonnes at 0.76% Cu and 318 ppm Mo at a cut-off grade of 0.50% Cu, comprising a Measured Mineral Resource of 73 million tonnes at 0.73% Cu and 513 ppm Mo, an Indicated Mineral Resource of 64 million tonnes at 0.73% Cu and 345 ppm Mo, and an Inferred Mineral Resource of 21 million tonnes at 0.78% Cu and 244 ppm Mo.

The Chilean assets include the Mollacas Copper Project with a Mineral Resource of 15.5 million tonnes consisting of a Measured Resource of 11.2 million tonnes at 0.55% Cu and 0.12g/t Au and an Indicated Resource of 4.3 million tonnes at 0.41% Cu and 0.14g/t Au (at a 0.2% copper cut-off); and the Vallecillo Project with a Mineral Resource of 8.9 million tonnes consisting of a Measured Resource of 5.5 million tonnes at 0.84g/t Au, 9.99g/t Ag, 1.12% Zn and 0.32% Pb, an Indicated Resource of 2.6 million tonnes at 0.80g/t Au, 10.23g/t Ag, 0.94% Zn and 0.35% Pb and an Inferred Resource of 0.8 million tonnes at 0.50g/t Au, 8.62g/t Ag, 0.48% Zn and 0.17% Pb (at a cut-off grade of 0.2g/t Au).

The Company also has a number of early stage exploration projects where initial exploration activities have identified anomalous copper, molybdenum and gold values.

## Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Colin Sinclair, BSc, MSc, who is a Member of the Australasian Institute of Mining and Metallurgy and is currently employed by the Company in Chile.

Colin Sinclair has sufficient experience (over 30 years) which is relevant to the style of mineralisation, type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results'. Mr Sinclair, as Competent Person for this announcement, has consented to the inclusion of the information in the form and context in which it appears herein.

## SRK Consulting (Chile) S.A. (SRK)

Metminco supplied SRK with a geological model and supporting drill hole data. Copper and molybdenum grades were estimated into a block model using ordinary kriging with VULCAN software.

The information provided in this ASX Release as it relates to Exploration Results and Mineral Resources of the Los Calatos copper deposit is based on information compiled by Joled Nur, Principal Mining Engineer (Geostatistics and Resources Estimation) SRK. Mr Nur, who is a Member of the Australasian Institute of Mining and Metallurgy, and is a Qualified Person for JORC 2012 compliant statements, performed the resource estimation. Mr Nur has sufficient experience that is relevant to the style of mineralisation and type of mineral deposit under consideration, and to the activity which was undertaken, to make the statements found in this report in the form and context in which they appear. Mr Nur has consented to be named in this announcement and inclusion of information attributed to them in the form and context in which it appears herein.

## RungePincocKMinarco

RungePincocKMinarco ("RPM") is the world's largest publicly listed independent group of mining technical experts, with a history going back to 1968.

Listed on the Australian Securities Exchange on 27 May 2008 (ASX: RUL), RPM is a global leader in the provision of advisory consulting, technology and professional development solutions to the mining industry.

The RPM global team of more than 200 specialist advisors and mining consultants is regarded as one of the most experienced and trusted teams in the industry, with wide-ranging operational and technical expertise across commodities, continents and mining methods.

Further, the RPM global team's knowledge base has been gained through the conduct of work in over 118 countries, and their approach to the business of mining is strongly grounded in economic principles.

The company's cutting-edge mining software technology has been at the forefront for more than 30 years and continues to be sought after globally for mine planning including scheduling, simulation and financial analysis solutions. Their software continues to be used by miners, mining contractors, financial institutions and other service providers to the mining sector.

At present, RPM operate offices in 20 locations across 12 countries on five continents.

In accordance with Metminco's requirements, RPM conducted a strategic mining study to evaluate alternative high grade development scenarios for Los Calatos Project based upon the Mineral Resources estimate completed by SRK Consulting (Chile) S.A. in June 2015.

The review was conducted under the direction of Mr David Pires, Bsc,Msc,GCert. Mr Pires is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of RPM as Regional Consulting Manager – Latin America.

RPM certify that the results reported by Metminco correspond to those obtained by RPM in the conduct of their study on Los Calatos entitled "Strategic Mining Study - Los Calatos" dated 14 September 2015.

*The reader is cautioned that the actual operating costs, production and economic returns may differ materially from those anticipated by the Strategic Mining Study, and depend on a variety of factors, some of which are outside the control of RPM.*

### **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.

*For further information contact:*

**METMINCO LIMITED**

Stephen Tainton / Phil Killen

Office: +61 (0) 2 9460 1856

**NOMINATED ADVISOR AND BROKER**

**RFC Ambrian**

*Australia*

Will Souter/ Nathan Forsyth

Office: +61 (0) 2 9250 0000

*United Kingdom*

Samantha Harrison / John van Eeghen

Office: +44 (0) 20 3440 6800

**PUBLIC RELATIONS**

**Buchanan (UK)**

Bobby Morse/Anna Michniewicz

Office: +44 (0) 207 466 5000

---



## INVESTOR PRESENTATION

Los Calatos : High Grade  
Development Option



September 2015

## Disclaimer

This presentation (the “Presentation”) is strictly confidential to the recipient and has been prepared by Metminco Limited (“Metminco” or the “Company”) based on the information available to it. It is intended solely for the information of the initial recipient of this presentation. Metminco is not under any obligation to update or keep current the information contained herein.

Each recipient of this Presentation is deemed to have agreed to accept the qualifications, limitations and disclaimers set out below. To the maximum extent permitted by law, none of Metminco and its related entities or their respective members, directors, officers, employees, advisors or representatives nor any other person makes any representation or gives any warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this Presentation including any forecast or prospective information. To the maximum extent permitted by law, no responsibility for any errors or omissions and no liability for any loss howsoever arising from any use of this Presentation whether arising out of negligence or otherwise is accepted by Metminco and its related entities, or their respective members, directors, officers, employees, advisors or representatives nor any other person.

This Presentation may not be reproduced, retransmitted or distributed to the press or any other person or published, in whole or in part, for any purpose.

Although all reasonable care has been undertaken to ensure that the facts stated and opinions given in this Presentation are accurate, the information provided in this Presentation has not been independently verified.

Any forward looking information in this Presentation has been prepared on the basis of a number of assumptions, subjective judgments and analyses which may prove to be incorrect. There are a number of factors that could cause results or events to differ from current expectations. Actual future events may vary materially from the forward looking information on which those statements are based. Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause costs of the Company’s activities or results not to be as anticipated, estimated or intended. This Presentation should not be relied upon as a recommendation or forecast by the Company. Metminco disclaims any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

This Presentation and the information contained in it does not constitute a prospectus, admission document or product disclosure statement (including for the purpose of the Corporations Act 2001) relating to the Company and has not been approved by the UK Listing Authority or the Australian Securities Exchange. This Presentation has not been approved by or lodged with the Australian Securities and Investment Commission.

The information in this document is provided for informational purposes only and is subject to change without notice. This Presentation does not constitute or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall it or any part of it form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever or constitute an invitation or inducement to engage in investment activity.



# CORPORATE FOCUS – 3 INITIATIVES

## 1. DEVELOPMENT OF LOS CALATOS Cu-Mo PROJECT IN PERU

- RungePincockMinarco (RPM) Strategic Mining Study completed in accordance with a defined Scope of Work
- Development of Los Calatos commencing with an underground, sub-level cave, mining operation
- Favourable economics at a production rate of 6.5Mtpa, producing 1.1 million tonnes Cu in concentrate over a LoM of 22 years\*\*
- Engage with financial and strategic partners to fast track development
- Next steps: Test TD2 Target & commencement of Pre-Feasibility Study, Permitting and EIS Study

## 2. DEVELOPMENT OF MOLLACAS SX-EW COPPER PROJECT IN CHILE: SUPREME COURT HEARING LIKELY WITHIN 2 MONTHS

## 3. SECURE NEAR TERM CASH FLOW THROUGH OUTRIGHT PURCHASE OR JOINT VENTURE

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



# *Los Calatos Project*



# Priority high grade copper development project



- Estimated mineable quantity of 134.3Mt @ 0.89% Cu & 360ppm Mo (Mill head grade)
- LoM of 22 years with average steady state production rate of 50,000 tpa Cu in concentrate
- Underground sub-level cave operation
- Conventional sulphide flotation
- Excellent regional infrastructure
- Designated “Project of National Interest” by Peruvian Government
- Exploration targets may complement development
- Expansion potential with increasing copper price

# Located in prolific Cu – Mo mining district, Southern Peru

## Close proximity to substantial open pit mining operations



Unit	Cuajone	Toquepala	Cerro Verde
Started production	1976	1960	1976
Reserves: <sup>1</sup> Cu grade	0.51%	0.55%	0.37%
Mo grade	0.019%	0.032%	0.020%
Cut-off grade (CuEq)	0.19%	0.23%	0.17%
Strip ratio	2.78	4.81	0.76
2014 Cu production (kt)	178	115	423
Open Pit Depth (m)	930	825	
Net Unit Cost (C1) \$/lb <sup>2</sup>	±1.05	±1.05	1.40

<sup>1</sup> As at December 2014; <sup>2</sup> After by-product credits

# Project is highly deliverable – development risks low

## ➤ **Social Licence**

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

## ➤ **Access to Power and Water**

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

## ➤ **Regional Infrastructure**

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



# Pre-production capital expenditure

## Estimated pre-production capital

Parameter	US\$ (millions)
Flotation plant, Mo plant, indirect costs	233
Underground mine including development, equipment and conveyor	58
Infrastructure including power supply, water pipeline, road access, site facilities, workshop & osmosis plant	216
Owners costs (mining management, technical support & other)	28
Land purchase	8
Contingencies	112
<b>Total</b>	<b>655</b>

### Contingencies

- US\$655 million capex including contingencies of US\$112 million

### Sustaining capital

- To be funded from cash flow post-commencement of production

### Capex Optimisation

- Significant opportunity to further optimise capex in PFS and FS

Average contingency of 25% on all capital

# Key operational parameters

## Life of Mine – Operational Parameters

Parameter	Amount
Annual tonnes milled (millions)	6.5
Annual copper in concentrate (kt)	50
Annual molybdenum in concentrate (kt)	1.3
Mining costs (US\$/t)	14.27
Processing costs (US\$/t)	6.05
G & A costs (US\$/t)	1.34
By-product credits (US\$/lb copper)	0.40
Cash operating costs net of credits (US\$/lb copper)	1.29
Life of Mine (years)	22

### Low cash operating cost

- Competitive C1 cash operating cost of US\$1.29/lb Cu net of by-product credits

### By- product credits

- Estimated by-product credit of US\$0.40/lb Cu

# Key performance indicators

## LoM Performance Indicators

Parameter	LoM
Total tonnes mined (millions)	134.3
Average milled copper grade (%)	0.89
Average milled molybdenum grade (%)	0.036
Copper in concentrate (kt)	1,101
Molybdenum in concentrate (kt)	32
EBITDA (US\$ millions)	3,820
Unlevered cash flow before tax (US\$ millions)	2,541
NPV @ 8% (ungeared) (US\$ millions)	447

### NPV

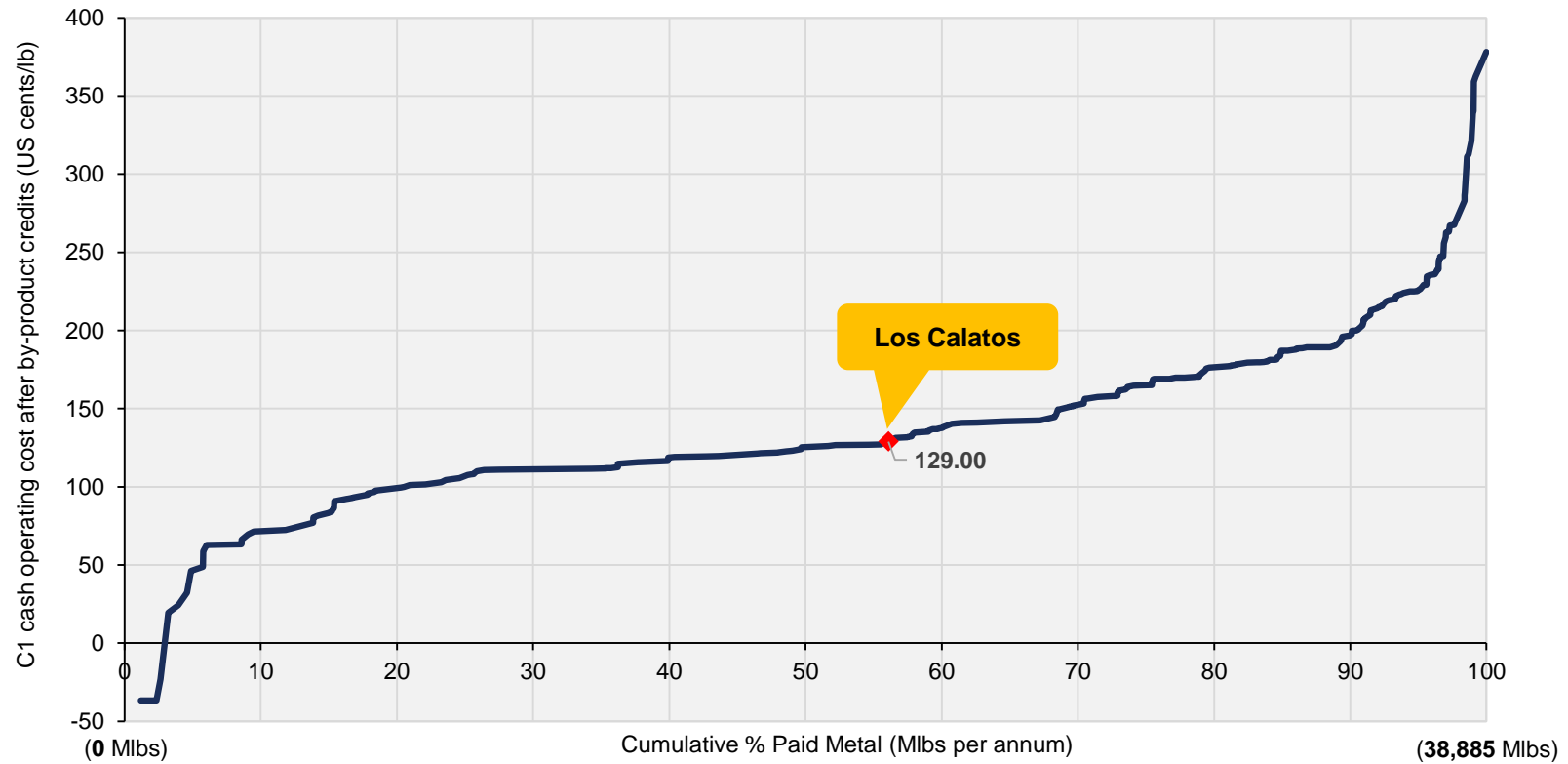
- Opportunity to optimise capex and opex in PFS / FS and improve NPV

Long term median consensus metal prices (post 2019) from up to 40 institutions (source BMO) : Cu = US\$3.00/lb ; Mo = US\$11.16/lb ; Au = US\$1,250/oz; Ag = US\$19/oz . Re price = US\$5,773/kg (MNC)



# LoM cash costs – Comparison with global producers

## Cash Cost Estimates (US cents/lb Cu) – 269 Projects / Mines

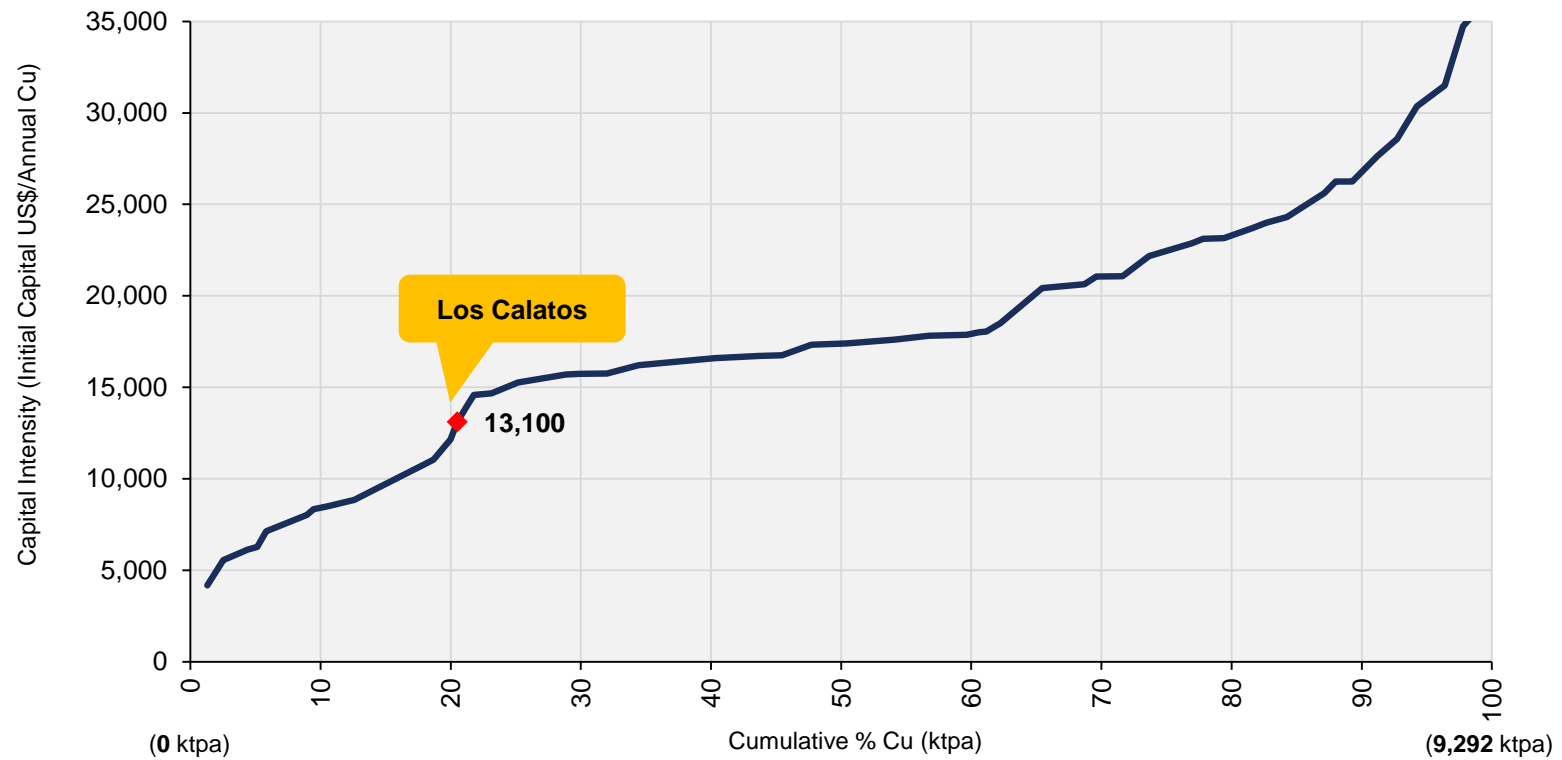


Source: Modified after WoodMackenzie (2015 Q2)

C1 costs defined as the net direct cash cost, representing the cash cost incurred at each processing stage, from mining through to recoverable metal delivered to market, less net by-product credits (if any)

# Competitive capital intensity

Capital intensity – Initial Capital (US\$) vs. Ave LoM Cu production (ktpa)



Source: Modified after Goldman Sachs – GS Copper 60 Projects (September '12)

# Good regional infrastructure

## ➤ Road and Access

- Close to Pan American highway (50km) and the Port of Ilo (100km SW)

## ➤ Power Supply

- Power will be sourced from the regional city of Moquegua 32km SSE of the project
- Power costs – long term price 6c/kWh

## ➤ Services Corridor

- Services corridor to be established to the coast – pumping of sea water to site

## ➤ Water

- Sea water accessed for metallurgical processing
- Positive for securing community support

## ➤ Freehold – Site Infrastructure

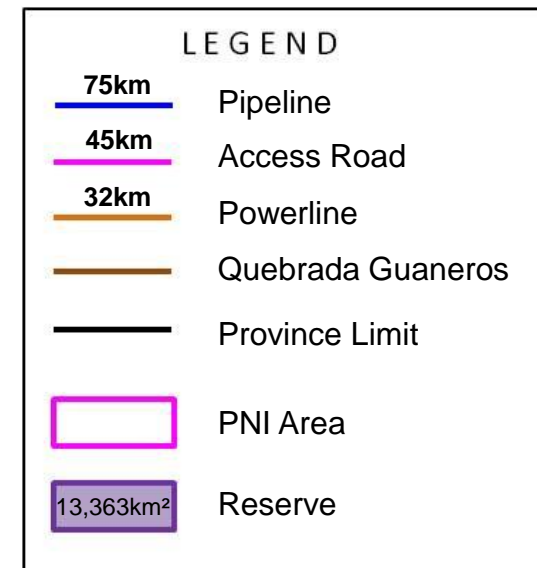
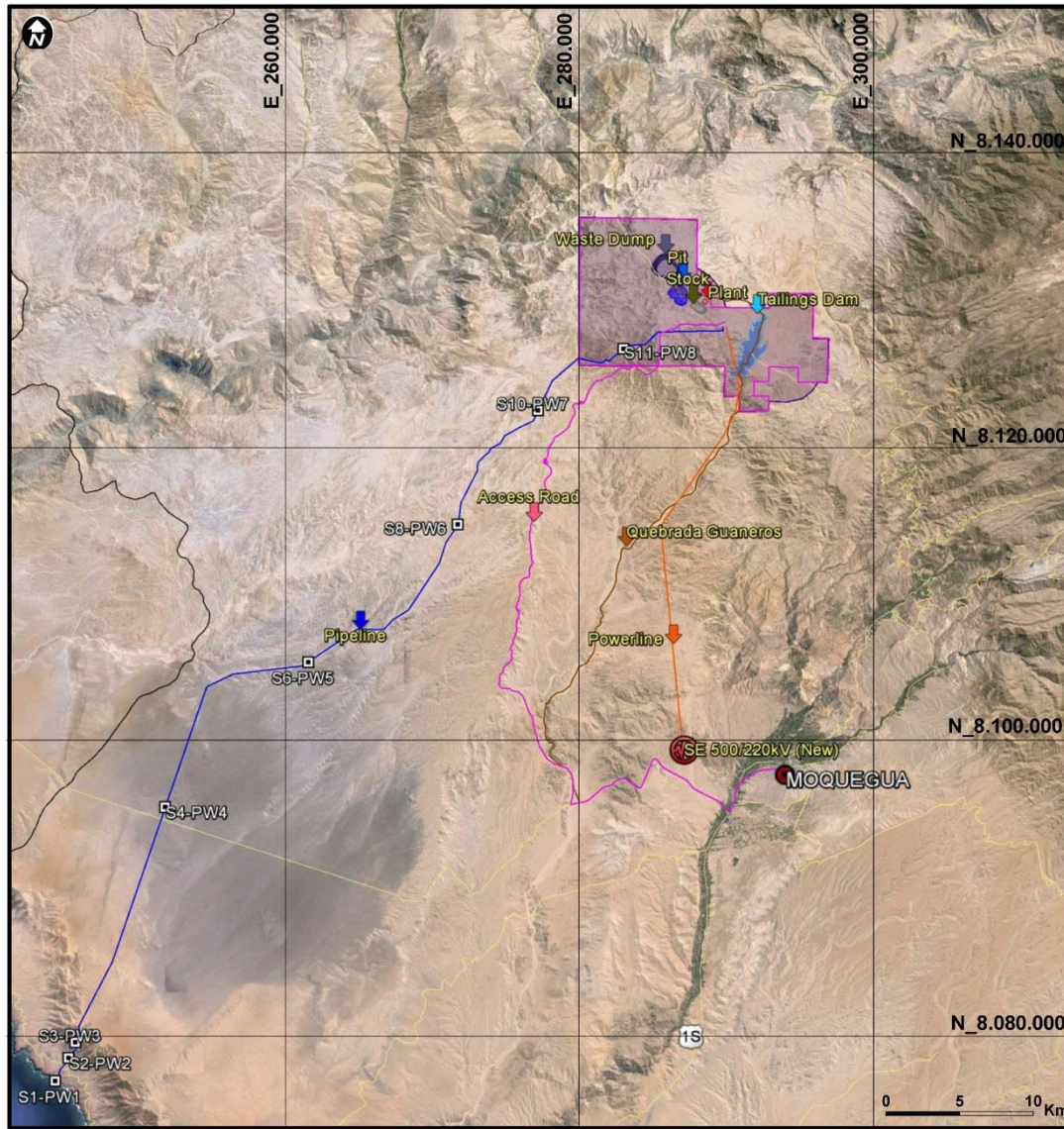
- Project located on State owned land to be purchased from government



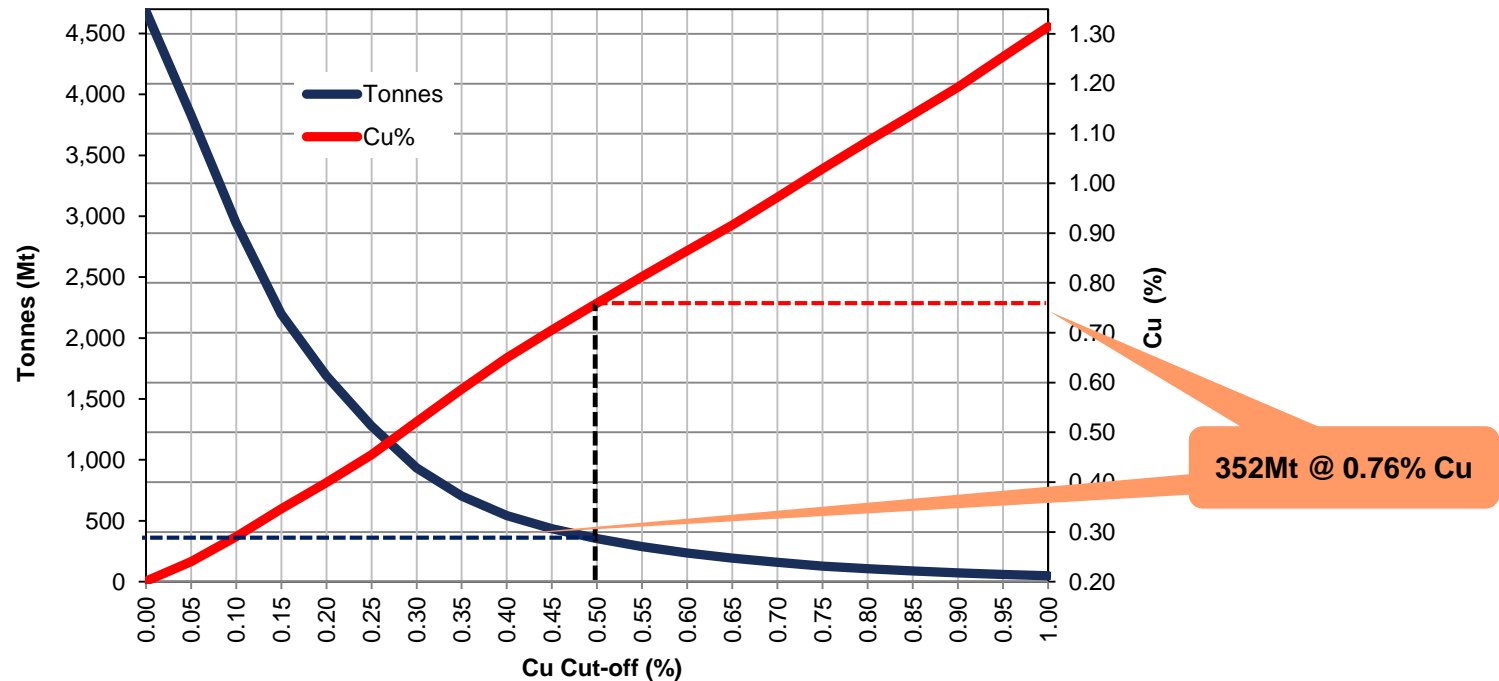
Source: Google Earth



# Project infrastructure

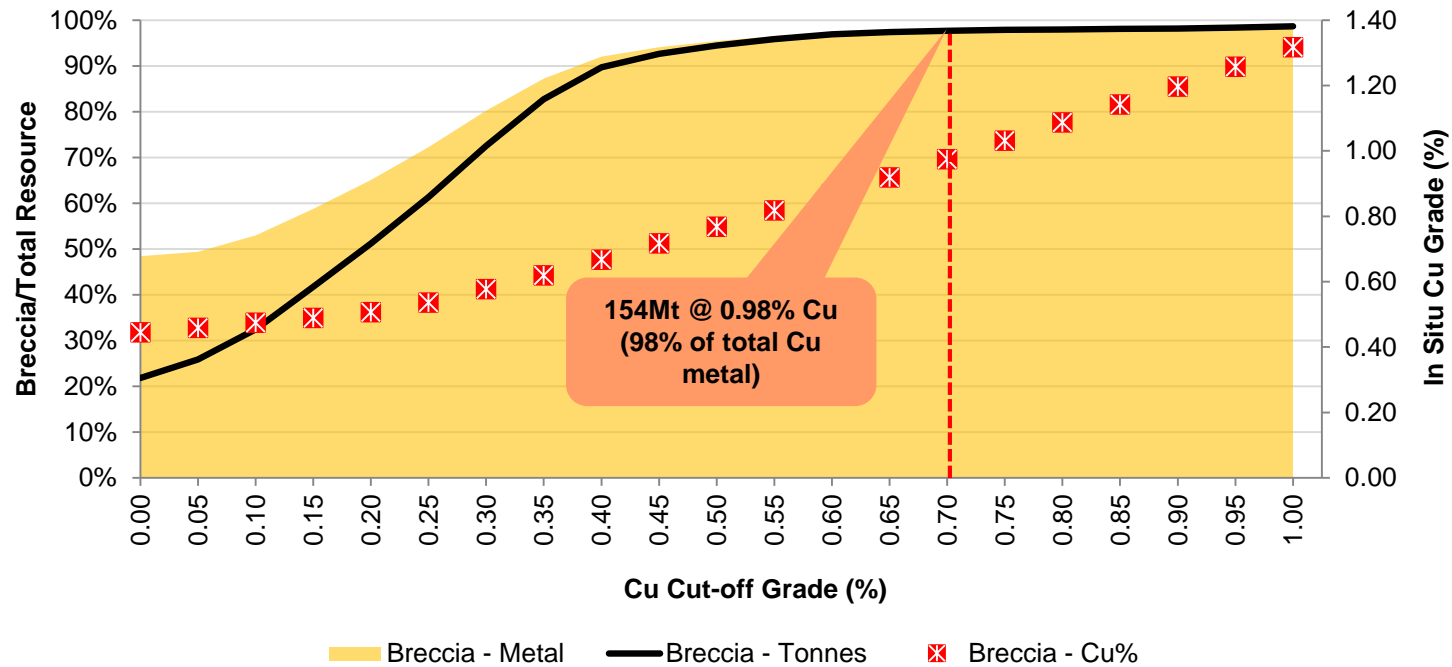


# Mineral Resource Estimate @ 15 June 2015 (JORC 2012)



Cut-off Cu (%)	Measured			Indicated			Total M + I			Inferred			Total		
	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)
0.20	285	0.42	323	361	0.38	174	<b>646</b>	<b>0.40</b>	<b>239</b>	1,045	0.40	141	<b>1,691</b>	<b>0.40</b>	<b>179</b>
0.30	183	0.52	387	187	0.50	234	<b>371</b>	<b>0.51</b>	<b>310</b>	564	0.53	190	<b>935</b>	<b>0.52</b>	<b>238</b>
0.40	114	0.63	460	101	0.63	296	<b>215</b>	<b>0.63</b>	<b>382</b>	327	0.66	228	<b>542</b>	<b>0.65</b>	<b>289</b>
<b>0.50</b>	<b>73</b>	<b>0.73</b>	<b>513</b>	<b>64</b>	<b>0.73</b>	<b>345</b>	<b>137</b>	<b>0.73</b>	<b>434</b>	<b>216</b>	<b>0.78</b>	<b>245</b>	<b>352</b>	<b>0.76</b>	<b>318</b>
0.60	47	0.84	545	42	0.83	374	<b>89</b>	<b>0.83</b>	<b>464</b>	147	0.88	258	<b>236</b>	<b>0.86</b>	<b>336</b>
0.70	31	0.94	566	28	0.92	393	<b>59</b>	<b>0.93</b>	<b>483</b>	99	1.00	261	<b>158</b>	<b>0.97</b>	<b>344</b>
0.80	20	1.04	581	19	1.00	412	<b>39</b>	<b>1.02</b>	<b>499</b>	66	1.12	257	<b>106</b>	<b>1.08</b>	<b>347</b>
0.90	13	1.14	603	13	1.08	426	<b>26</b>	<b>1.11</b>	<b>516</b>	47	1.24	243	<b>72</b>	<b>1.19</b>	<b>340</b>
1.00	8	1.26	650	7	1.18	461	<b>16</b>	<b>1.22</b>	<b>561</b>	33	1.36	232	<b>49</b>	<b>1.31</b>	<b>338</b>

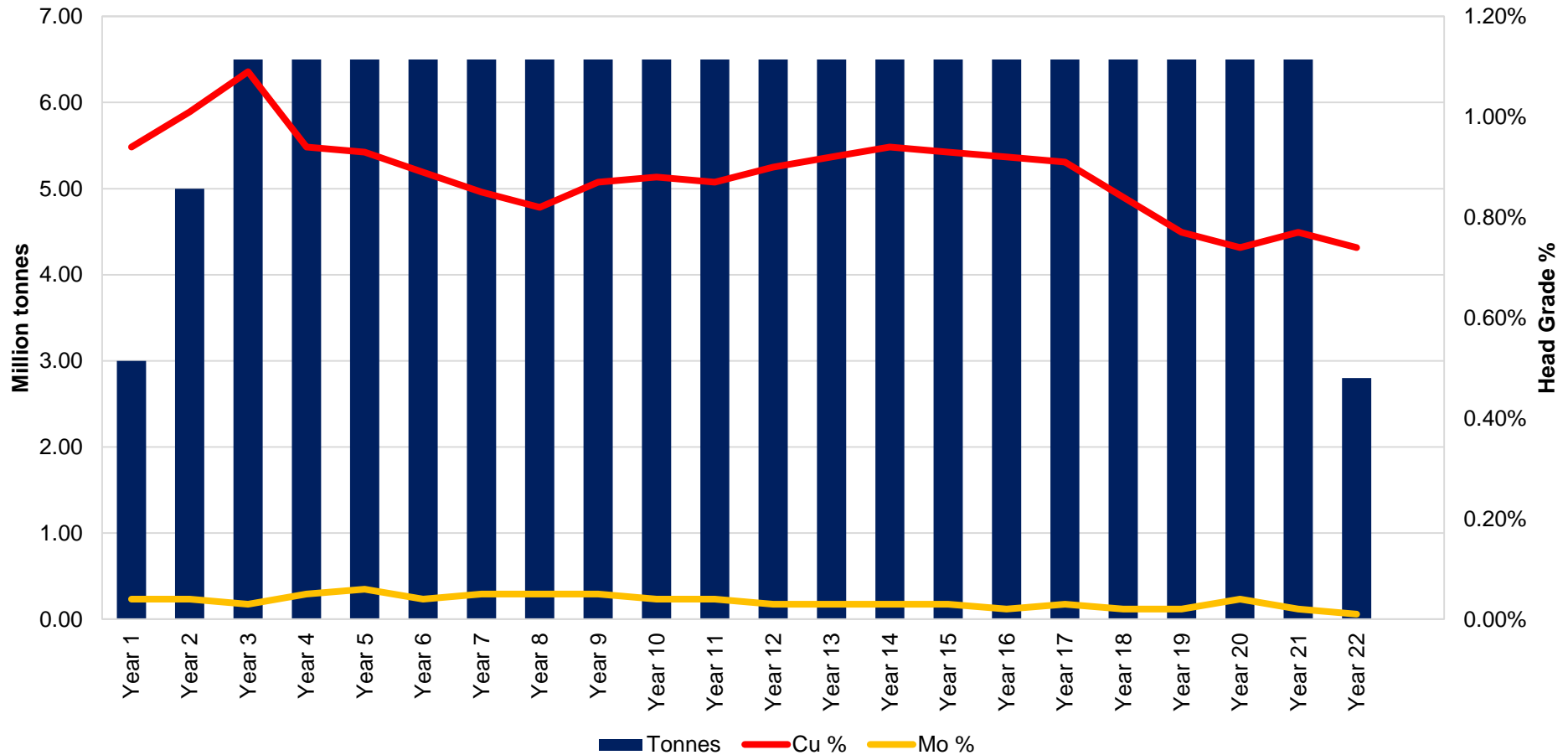
# 98% of contained Cu metal in the breccias at a 0.70% Cu cut-off



Cut-off Cu (%)	Measured			Indicated			Total M + I			Inferred			Total		
	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Mo (ppm)
0.50	70	0.74	527	57	0.74	371	127	0.74	457	205	0.79	252	332	0.77	330
0.60	46	0.84	551	38	0.83	396	84	0.84	481	144	0.89	261	229	0.87	342
0.70	30	0.94	569	26	0.92	418	56	0.93	500	98	1.00	263	154	0.98	350
0.75	25	0.99	574	21	0.97	430	46	0.98	508	80	1.06	261	126	1.03	351
0.80	20	1.04	583	17	1.01	439	37	1.03	515	66	1.12	259	103	1.09	352
0.90	13	1.14	605	12	1.09	453	25	1.12	533	46	1.24	244	71	1.20	345
1.00	8	1.26	651	7	1.19	489	15	1.23	578	33	1.36	233	48	1.32	342

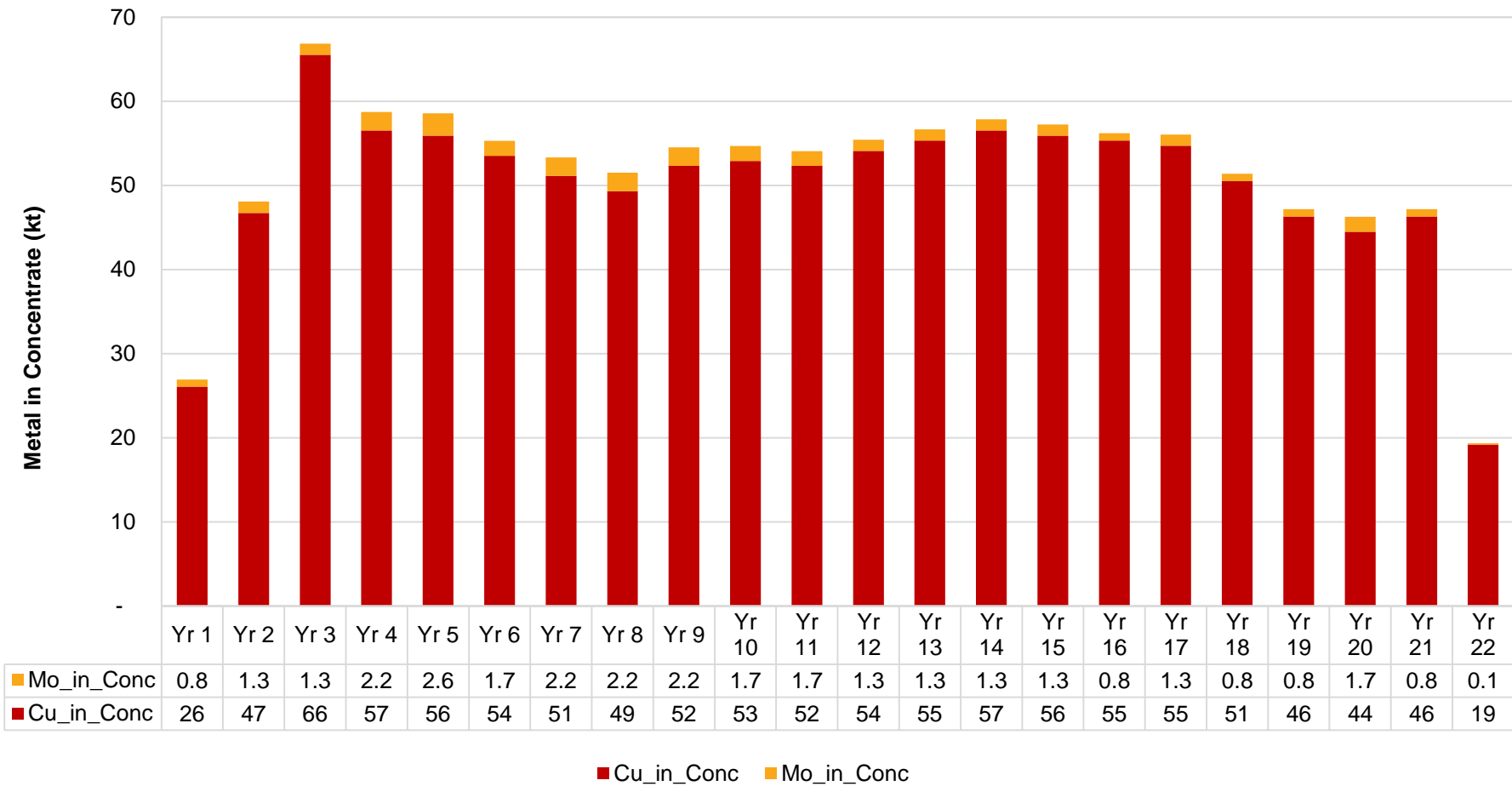


# Life of Mine production – mineable quantity & head grade



- Average mill head grade Cu = 0.89%
- Average mill head grade Mo = 0.036%

# Life of Mine Production – Cu & Mo concentrate



➤ Average Cu-In-Concentrate per annum (steady state operations) = 50,000 tonnes

➤ Average Mo-In-Concentrate per annum = 1,300 tonnes

# Comparison: Los Calatos vs. Ernest Henry

Parameter	Los Calatos (Peru) Planned	Ernest Henry (Australia) Estimated
Mining Operation	Underground	Open Pit & Underground
Underground mining method	Sub-level caving	Sub-level caving
Ore Mined	134.3 Mt @ 0.89% Cu & 0.036% Mo	64.3Mt @ 1.03% Cu & 0.53g/t Au <sup>1</sup>
Dip of mineralised zone (s)	Vertical	30° to 50°
Life of Mine	22 years	14 years
Annual Tonnes milled	±6.5Mtpa	±6Mtpa
Head Grade		
Cu (%)	0.89	0.96
Au (g/t)	n/a <sup>3</sup>	0.48
Mo (ppb)	360	n/a
Recovery Rate		
Cu	92.5%	94.3%
Au	n/a	74%
Mo	68%	n/a
Annual Cu in concentrate	50,000	53,100
C1 Cash Operating Costs (post-credits)	US\$1.29/lb	US\$1.37/lb <sup>2</sup>

<sup>1</sup> As at 31 December 2014

<sup>2</sup> After Wood McKenzie (estimate for 2015)

<sup>3</sup> Copper concentrate contains 1.25g/t Au and 42g/t Ag per tonne conc.

## Los Calatos

- Planned higher grade, lower tonnage, operation compares favourably with Ernest Henry mine

# Next steps .....

- **REVIEW ECONOMICS OF RPM MINING STUDY Q3 2015**
- **ENGAGE WITH SUITABLE STRATEGIC AND FINANCIAL DEVELOPMENT PARTNERS**
- **DRILL TD2 EXPLORATION TARGET AS A PRIORITY**
- **PROCEED TO PRE-FEASIBILITY AND FEASIBILITY STAGE**



## *Mollacas Project*

# Mollacas in brief

## 100% owned, small undeveloped Copper Leach project

- Measured and Indicated Mineral Resource of 15.5Mt @ 0.51%CuT
- Project area of 33km<sup>2</sup> including 20 Exploration Concessions

## Located in close proximity to infrastructure

- 55km ESE of Ovalle with road infrastructure and access to power
- Water rights held to ±175 litres/sec from two canals

## Comprehensive exploration program

- Total of 16,280m of drilling completed (119 drill holes)

## Comprehensive metallurgical test work completed

- Phase 3 test work results support higher copper recoveries and acid consumption of 10kg/t

## Scoping Study

- Scoping Study completed by SRK (2008) updated to include latest metallurgical test work results, and revised Opex and Capex estimates

## Robust financials

- Life of Mine of >7 years producing up to 8,000t copper cathode per annum
- After tax NPV @ 8% of US\$75 million (Cathode Cu price = US\$3.10/lb)



# Copper leach project – Mineral Resource Estimate

## Mineral Resource Estimate – Oxide & Secondary Sulphide Zone (July 2012)

Category	Tonnes (Mt)	Grade		Contained Metal	
		CuT (%)	Cu_Sol (%)	CuT (t)	Cu_Sol (t)
Measured	11.2	0.55	0.44	61,424	49,140
Indicated	4.3	0.41	0.29	17,687	12,510
<b>Total</b>	<b>15.5</b>	<b>0.51</b>	<b>0.40</b>	<b>79,111</b>	<b>61,650</b>

Note: Reported at a 0.20% CuT cut-off grade

### Data support : July 2012 Resource

- 95 diamond drill holes (12,784m) and 24 reverse circulation drill holes (3,496m)

### Mineral Resource

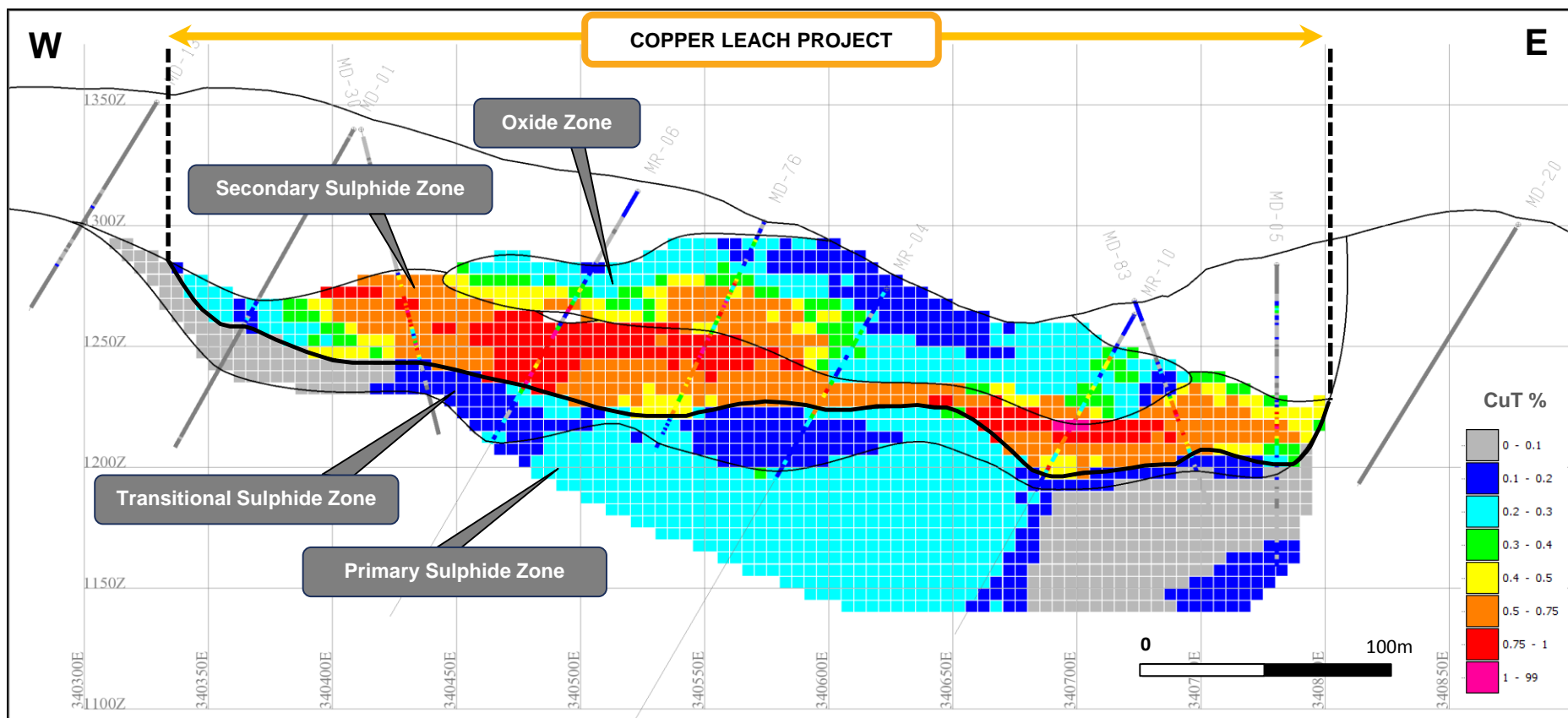
- Fully converted to Measured and Indicated categories

### Low grade primary porphyry

- Transitional and primary resource of 18.8Mt at 0.28% CuT and 0.19g/t Au

# Mollacas target – supergene cap of primary porphyry

Secondary Sulphide Zone – highest copper grades (50 - 100m below surface)



# Phase 3 metallurgical testwork yields positive results



*Checking the flow rates at the top of the 6 metre columns, SGS laboratory, Santiago, Chile.*

- Two Stage Leach
  - 90 day Primary Leach at 5L/hm<sup>2</sup> at 6 g/L H<sub>2</sub>SO<sub>4</sub>
  - 210 day Secondary Leach at 2.5 L/hm<sup>2</sup> at 3 g/L H<sub>2</sub>SO<sub>4</sub>
- Solution management via a series/parallel SX configuration

## Metallurgical testing

- 16 columns representing 5 geo-metallurgical units
- Acid consumption in agglomeration stage 10kg/t ore leached
- 85% soluble copper
- Ore crush size of P80 12mm to 16mm
- Stacked ore depth of 6 metres
- Opportunity to reduce acid consumption in agglomeration stage further



# Mollacas progressing towards development

## ➤ Completed

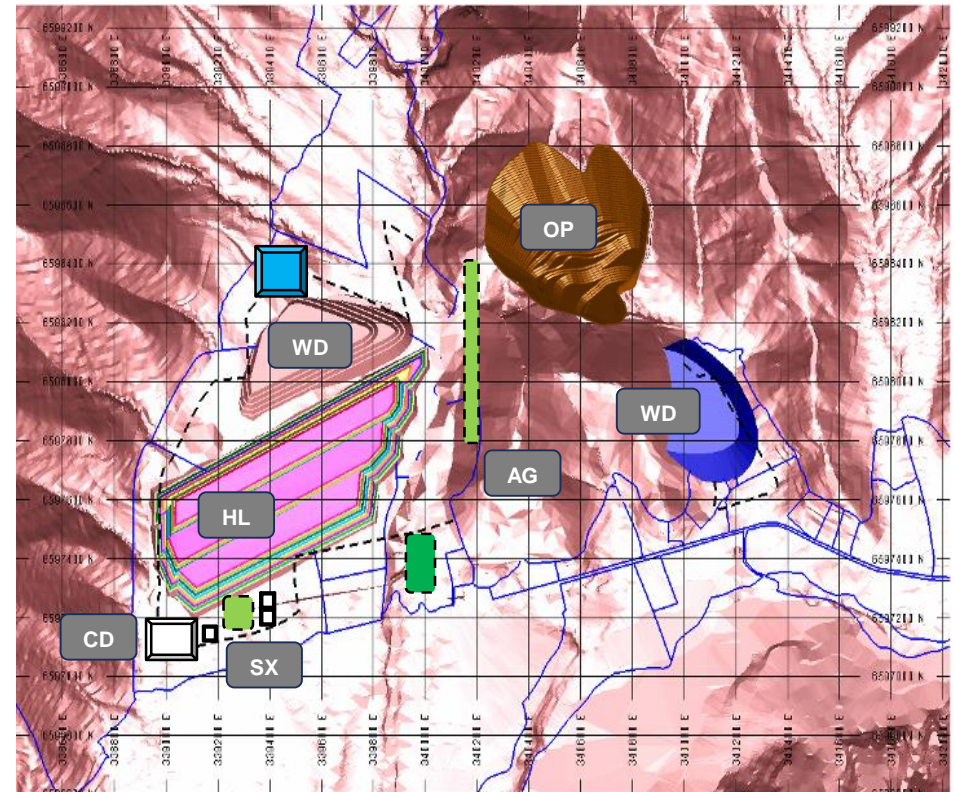
- Updated Scoping study
- Resource definition drilling
- Geotechnical design work for open pit & leach pads
- Phase 3 column leach test work
- Preliminary layout of mining infrastructure
- Environmental baseline study
- Provisional LoM Financial Model

## ➤ Planned

(Pending Ruling by Supreme Court)

- Feasibility Study
- Environmental Impact Study

## Preliminary layout – SX/EW operation



OP	Open Pit	HL	Heap Leach	SX	SX/EW Plant
AG	Crushing/Agglom	CD	Containment dam	WD	Waste Dump

# Life of mine financial model yields robust results

Physicals	Unit	Parameter
Mining rate	tpd	6,108
Crushing rate	ktpa	2,500
Tonnes leached	kt	14,500
Average Cu_Sol	%	0.42%
Payable Cu	tonnes	51,765
LoM	Years	7

Financials	Unit	Parameter
Total Capital Expenditure	US\$000's	52,306
C1 Cash Operating Costs	US\$/lb Cu	1.23

Project Economics	Unit	Parameter
NPV (after tax) @ 8%	US\$000's	74,921
IRR	%	37.2%
Payback	Years	2.44

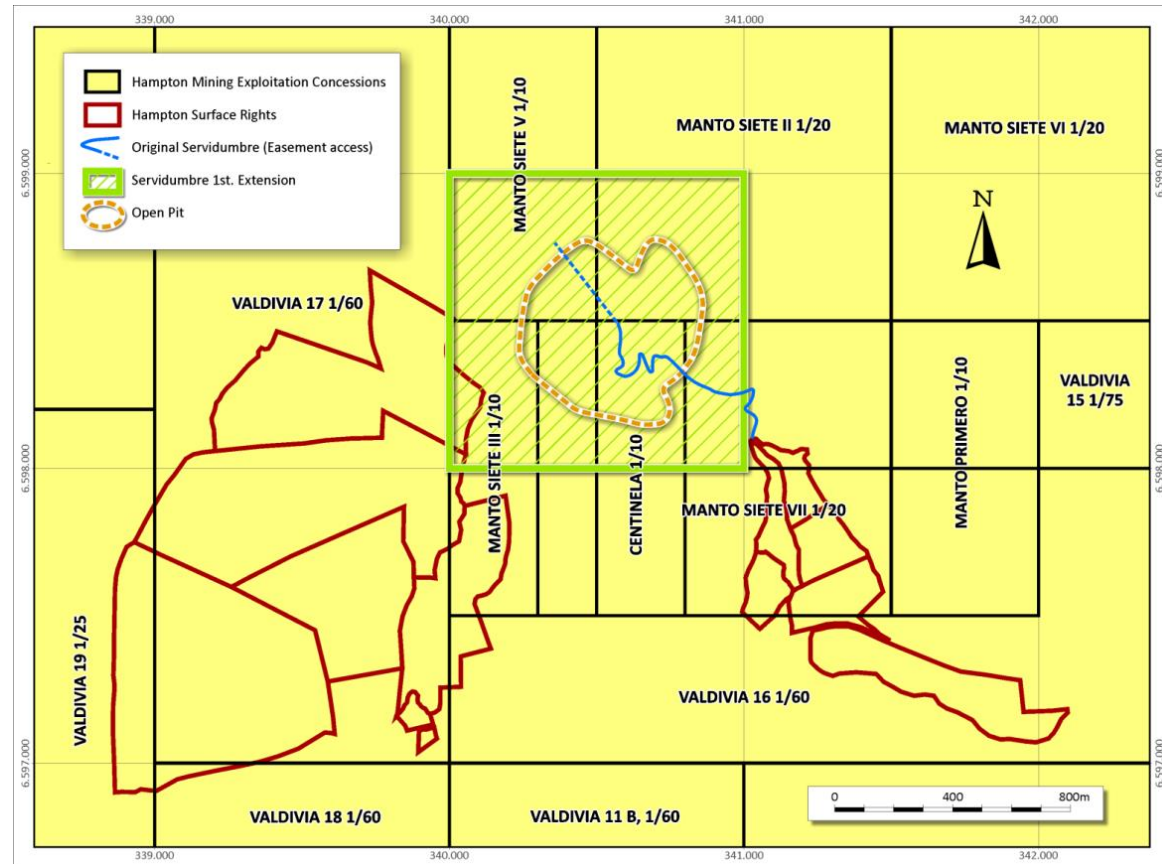
Note: NPV & IRR ungeared.

## Robust Financial Results

- After tax NPV @ 8% of US\$75 million, IRR =37% and Payback of 2.4 years

# Mollacas – Access Rights

- Metminco holds 21 Exploitation Concessions & surface rights to 179ha
- Private landowner holds surface rights over planned open pit
- First Extension to Initial Servidumbre / Easement declared invalid by the Court of Appeal of the IV Region
- Appeal against ruling lodged with the Supreme Court
- Work programme suspended pending outcome of Appeal to Supreme Court.
- Supreme Court hearing expected within 2 months
- Appeal based on application of Mining Code 15 and alleged “abuse of power” by the landowner



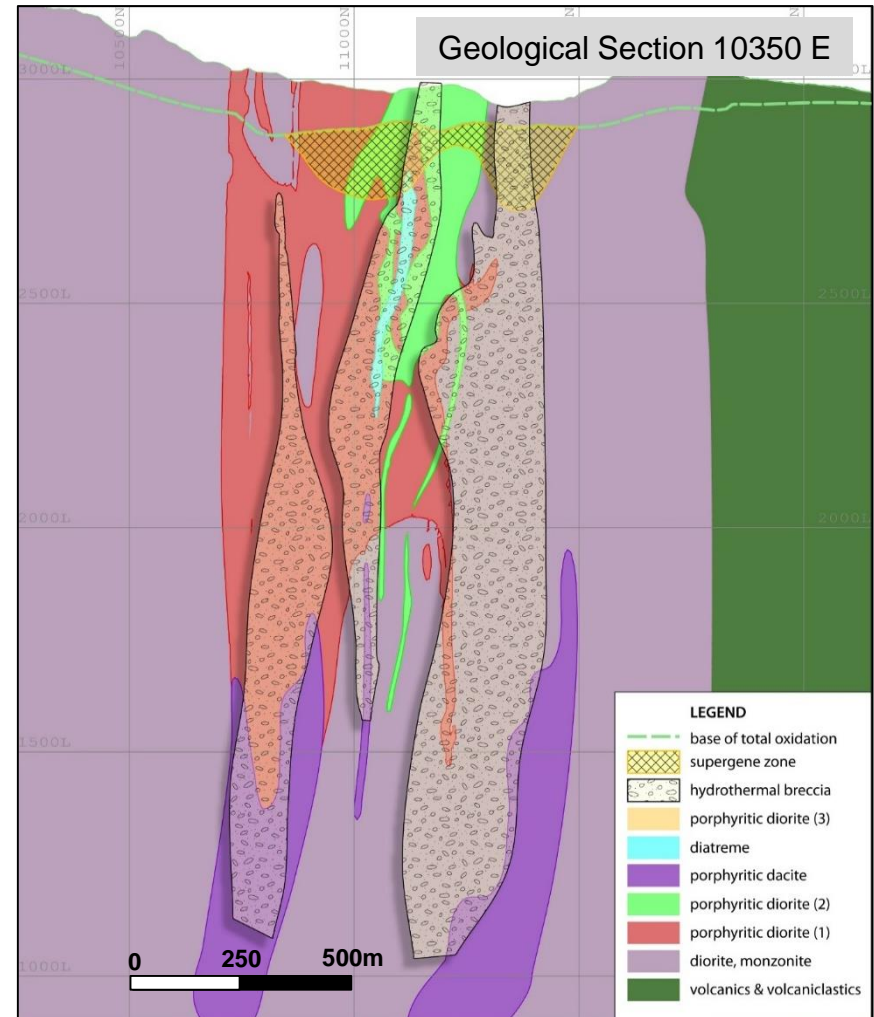
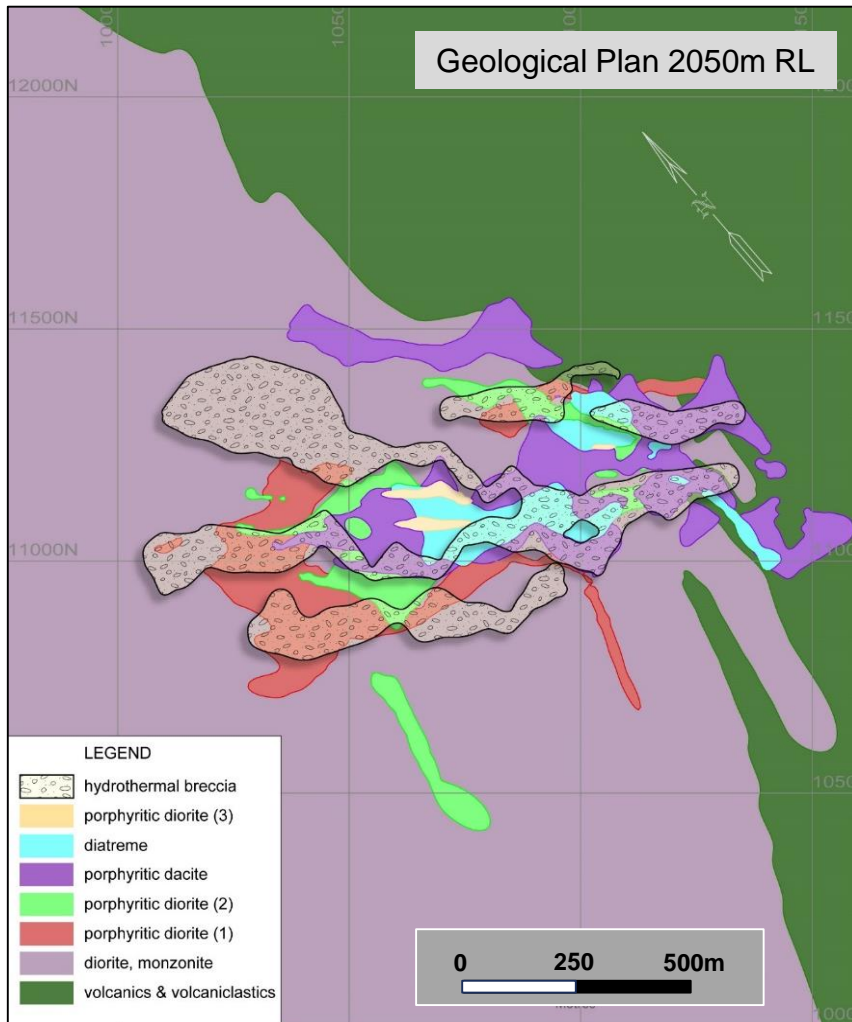


## APPENDIX 1

### *Los Calatos Geology & Mining*



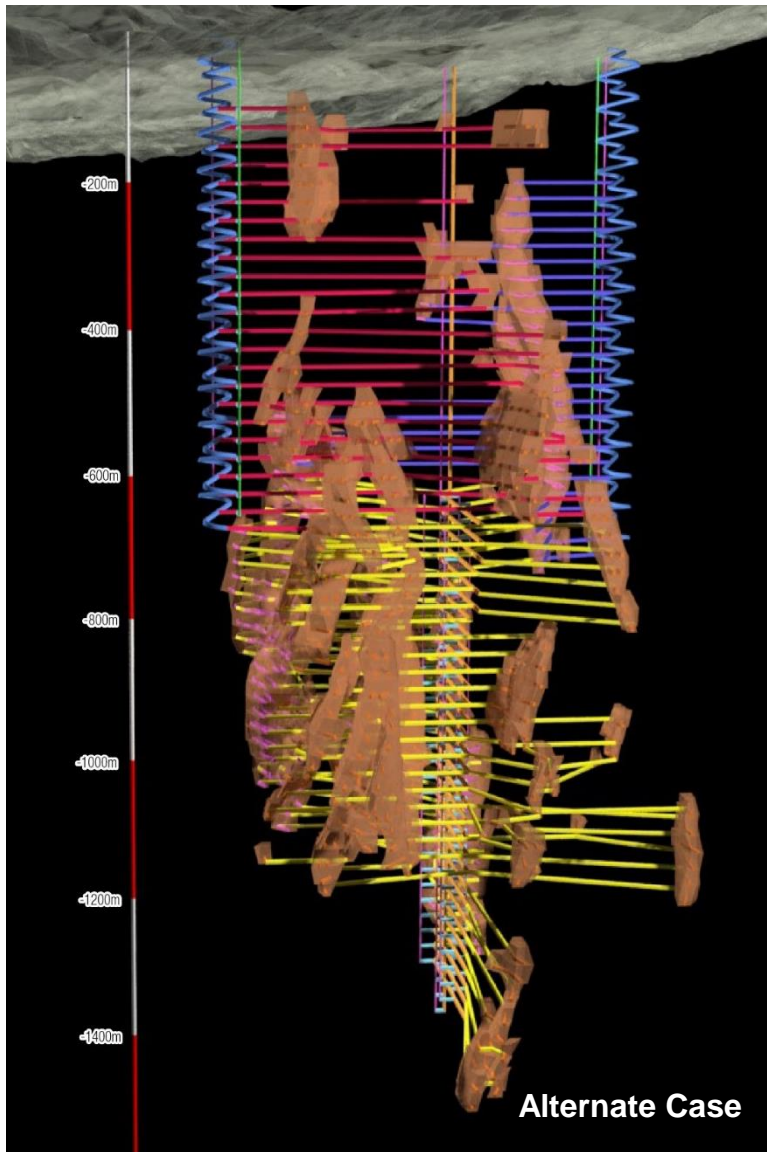
# Geometry of mineralised hydrothermal breccias



## Hydrothermal breccias

- Exhibit well defined lateral and vertical continuity

# Conceptual Mine Design – Looking East



## Alternate Case

### Two Decline Systems and a Central Shaft System

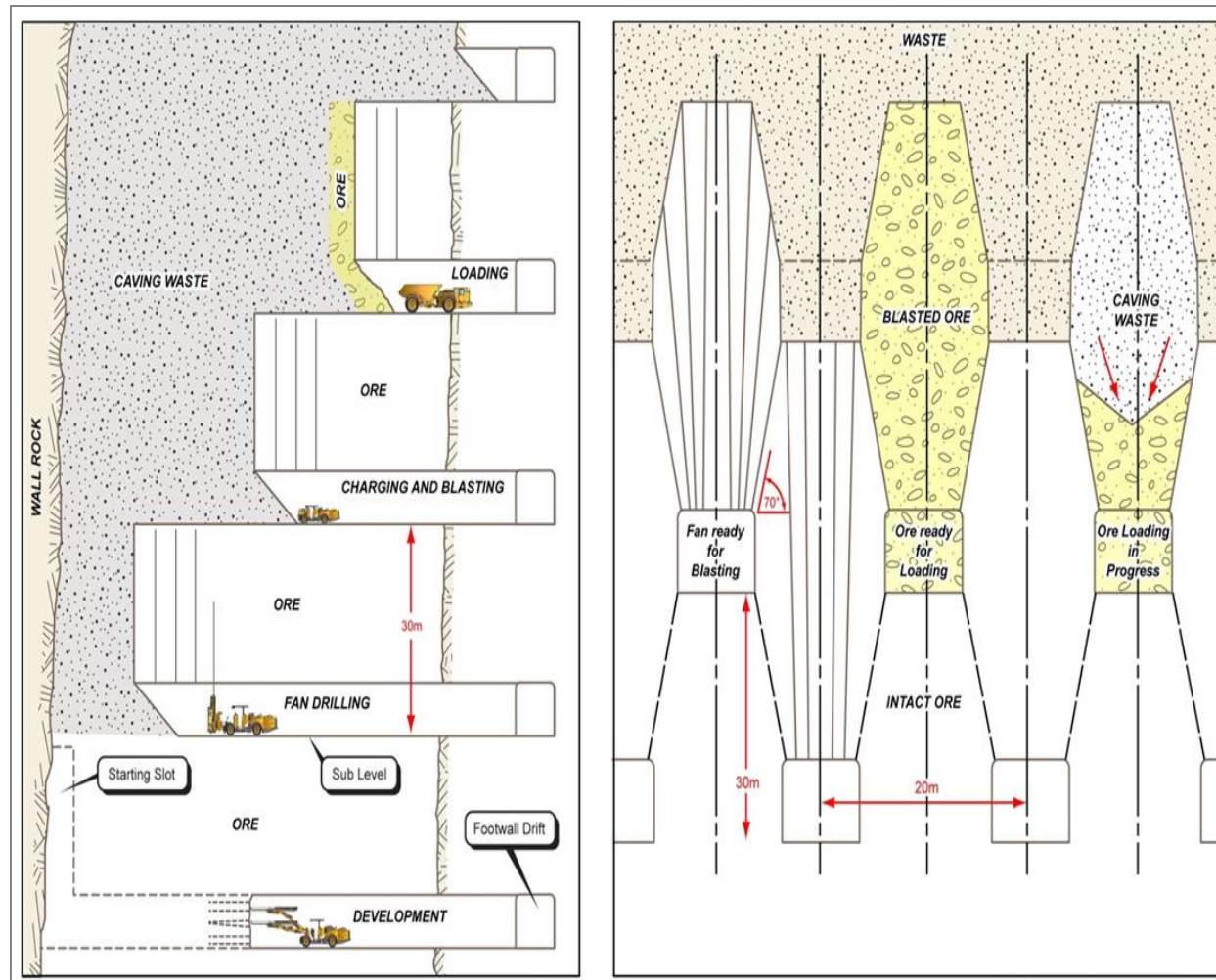
- Eastern Decline down to the 2,175mRL
- Western Decline down to the 2,300mRL
- Vertical Shaft System to extend below to the 1,550mRL

## Expansion Case

### Two Decline Systems and a Central Conveyor System

- Eastern Decline down to the 2,450mRL
- Western Decline down to the 2,450mRL
- Central Conveyor System to extend from 2,500m to below the 1,300mRL

# Primary mining method comprises sub-level caving



Source: Page & Bull (2001)

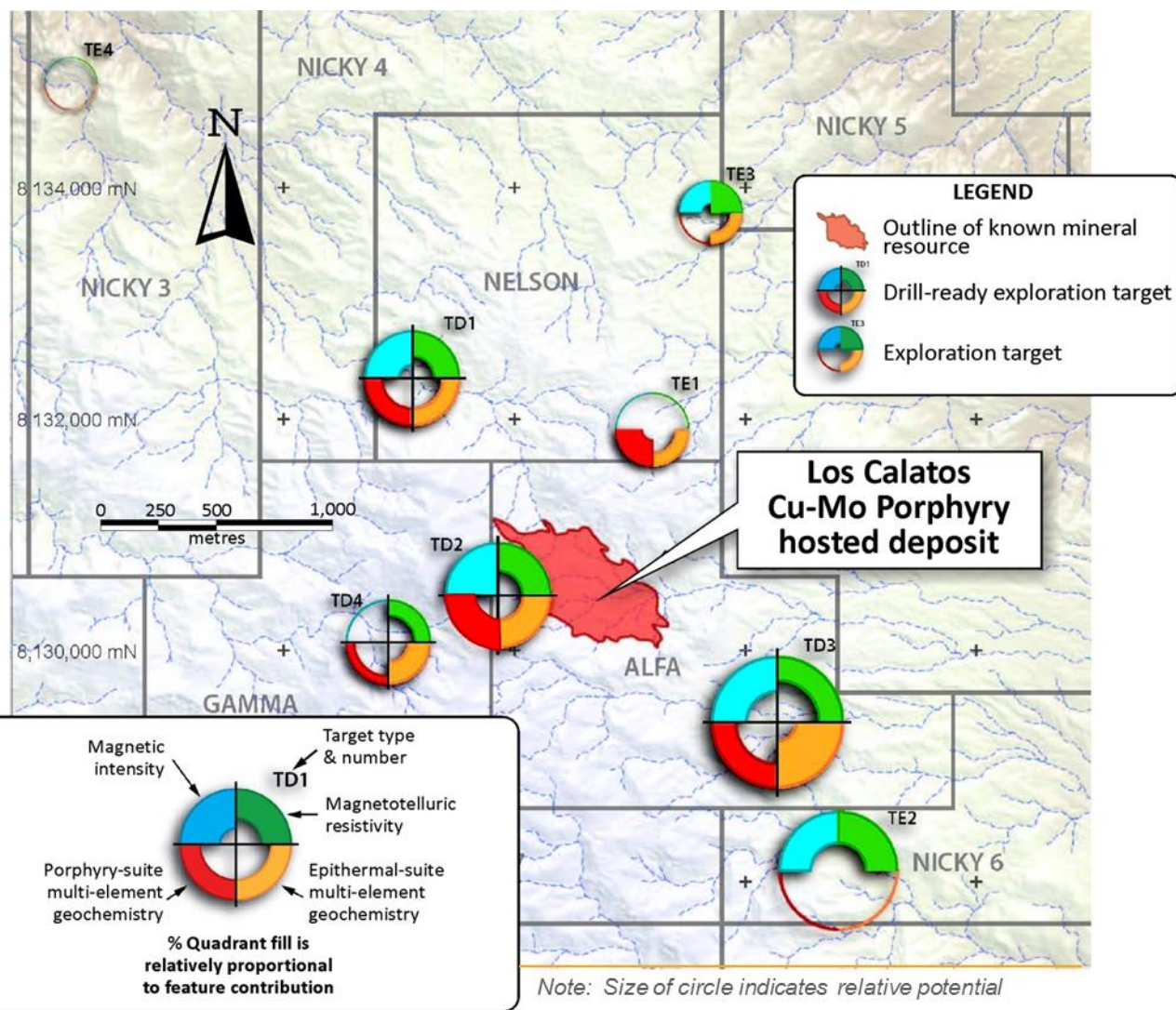




## APPENDIX 2

### *Los Calatos Exploration Potential*

# 8 exploration targets identified in project area

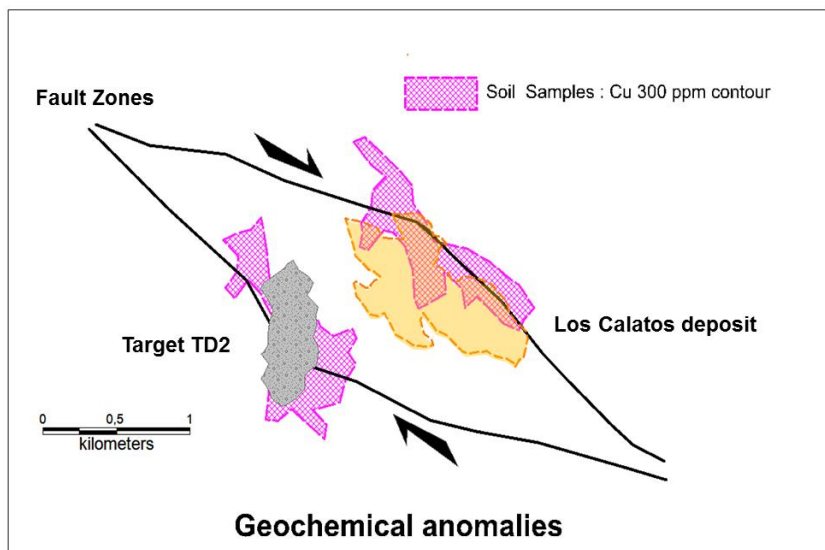
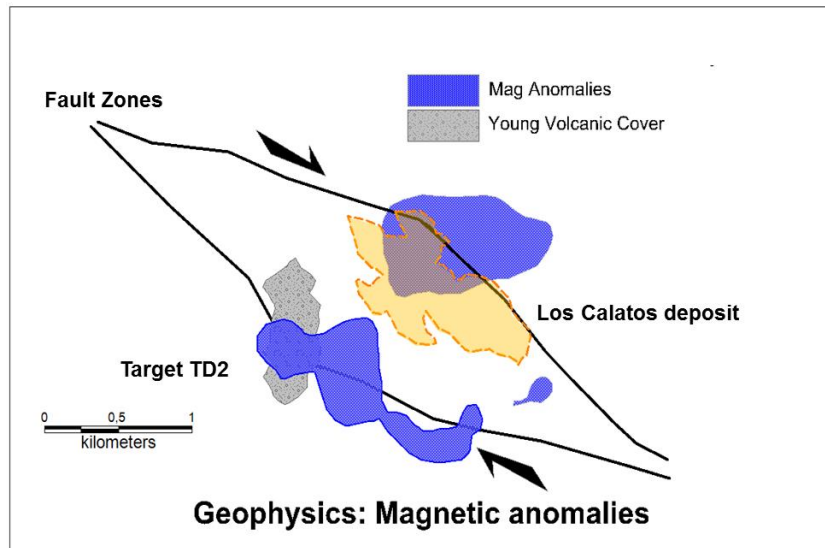


## Exploration Targets

- 8 targets identified
  - 4 drill ready exploration targets (TD1 to TD4)
  - 4 exploration targets (TE1 to TE4)
- Targets defined on basis of geophysics and geochemistry
- Initial work suggests porphyry complex extends to the southeast
- Highest priority targets are TD2 and TD3
  - Located to southwest & southeast of estimated mineral resource
- Systematic exploration to follow

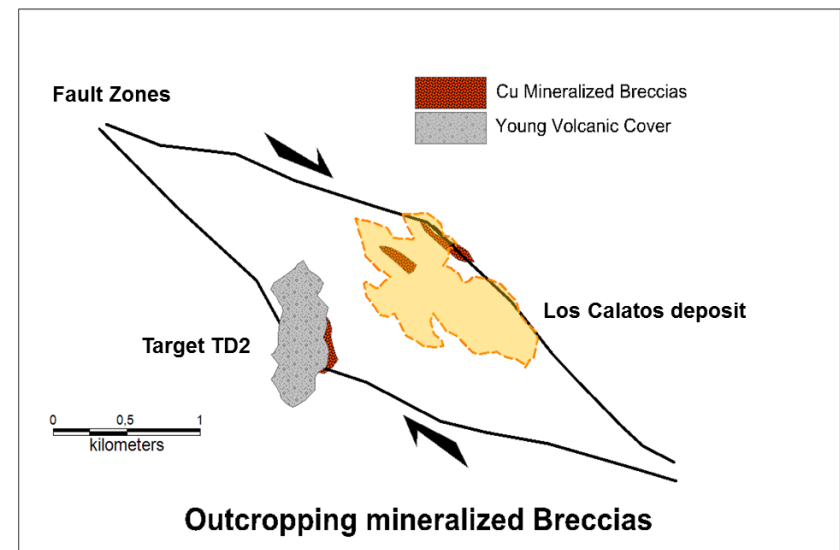


# Target TD2 – shares a number of similarities with the Los Calatos deposit

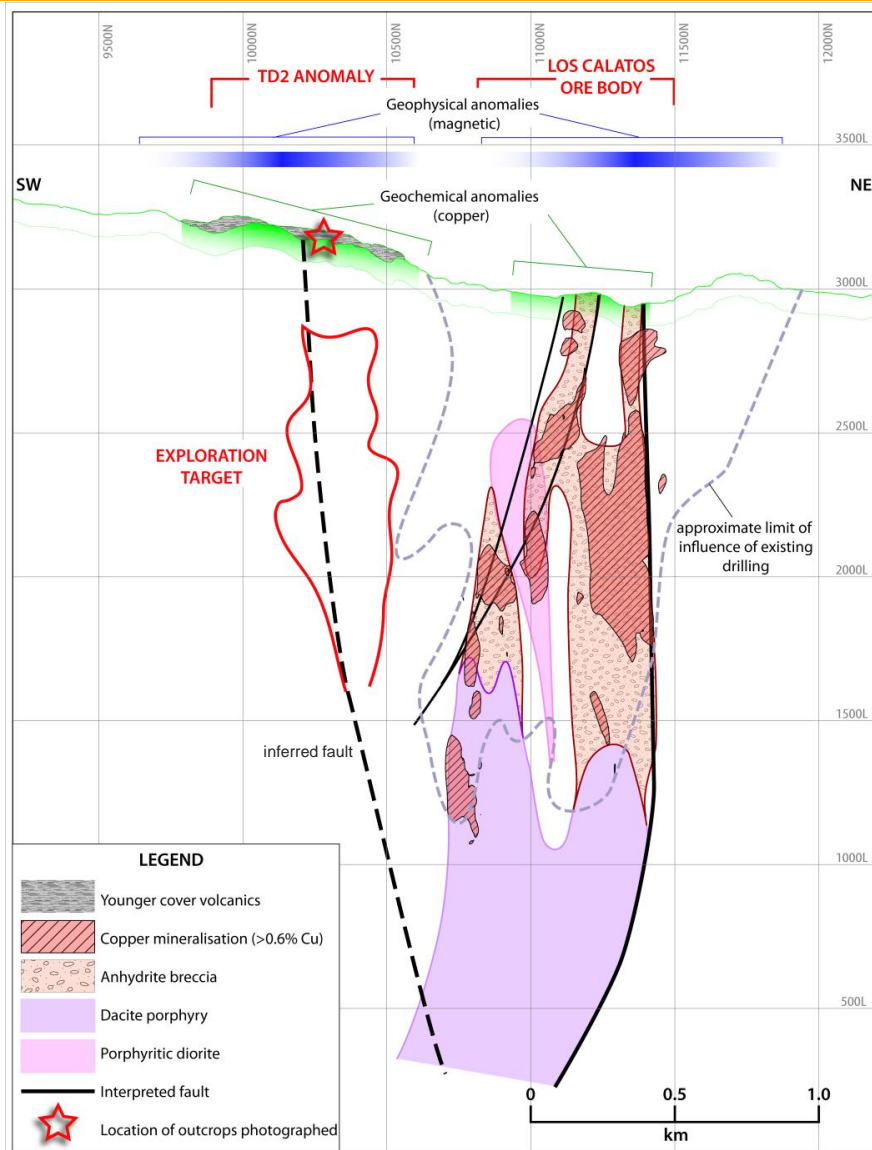


## Target TD2 – Drill Ready Target

- Located in similar structural setting to the main Los Calatos deposit
- Supported by geophysics and geochemistry
- Outcropping, mineralised, breccias similar to those intersected in drill holes completed to-date
- Drill platforms and permits finalised



# Schematic cross section - Los Calatos and Target TD2



## Exploration Target TD2

- Outcropping shallow-level hydrothermal breccia containing chrysocolla (hydrated copper cyclosilicate) mineralisation
- Extends over strike distance of >200 metres
- Presence of cryptocrystalline quartz indicative of the upper levels of a hydrothermal system possibly developed above a porphyry system.
- Similar to hydrothermal breccias that host the high copper and molybdenum grades within the defined Los Calatos deposit





## APPENDIX 3

### *Overview: Copper & Peru*

# Global copper supply – demand dynamics

## ➤ **COPPER WILL REMAIN SUPPLY CONSTRAINED AND A DEFICIT IS EXPECTED IN 2018**

- The outlook for copper remains compelling as emerging economies transition to consumption led growth
- Global copper demand is expected to grow at a CAGR of 2.3% to 2030
- In the near term new supply induced by high prices will marginally exceed demand growth
- Beyond 2018 a significant deficit is expected to emerge
- Decline in grade remains an ongoing challenge
- Existing and new greenfield supply will face potential shortages in available power and water supply
- These factors will also significantly impact the cost of global supply
- Estimates are that by 2025 the global deficit likely to be greater than 8Mtpa

---

*Note: Production from current operating mines and committed new projects, copper grade data only available to 2025*

*Source: BHP Billiton and WoodMacKenzie*



# Peru remains an attractive mining jurisdiction

- Government type : Constitutional Republic.
- Legal system : Based on civil law.
- Executive branch : Chief of state and head of government: President Ollanta Humala (since July 2011).
- Elections : Every five years by popular vote (non consecutive re-election). Next elections: April 2016.
- Cabinet : Council of Ministers is appointed by the president.
- Legislative branch : Unicameral congress. 130 seats - Members elected by popular vote.
- Judicial branch : Judges are appointed by the National Council of the Judiciary.
- Population : 30,475,144: Urban 75.1%; Rural 24.9%.

Standard & Poor's, Fitch and Moody's upgraded Peruvian sovereign debt to investment grade and currently this credit rating isn't at risk (2013).

International relationships: Member of the United Nations since 1945, member of the Security Council between 2006 and 2007; Member of the World Trade Organisation since 1995; In 1998 became a member of the Asia Pacific Economic Cooperation (APEC) forum.

Frazer Institute 2012/2013: Peru ranks 58 out of 96 countries based on Policy Potential Index (Score 42/100)



# Economic performance 2009 to 2013

Key Indicator	2009	2010	2011	2012	2013
<i>Annual Percent Change</i>					
Real GDP	0.9	8.8	6.9	6.3	6.3
Inflation (eop) <sup>1</sup>	0.2	2.1	4.7	2.8	2.0
Policy rate (eop %)	1.5	3.0	4.25	4.25	..
Real exchange rate <sup>2</sup>	3.4	2.4	-1.0	8.8	..
<i>Percent</i>					
Output gap <sup>3</sup>	-2.2	-0.2	0.2	0.0	-0.1
External current account	-0.5	-2.5	-1.9	-3.5	-3.5
Fiscal balance <sup>4</sup>	-1.6	-0.5	1.9	2.1	1.5
Public Debt <sup>4</sup>	28.4	24.6	21.6	19.3	17.2

Sources: Peruvian authorities & IMF staff estimates

- 1 Inflation target 1-3 percent
- 2 Effective Ave. (-) = real depreciation
- 3 Percent of potential GDP
- 4 Non financial public sector

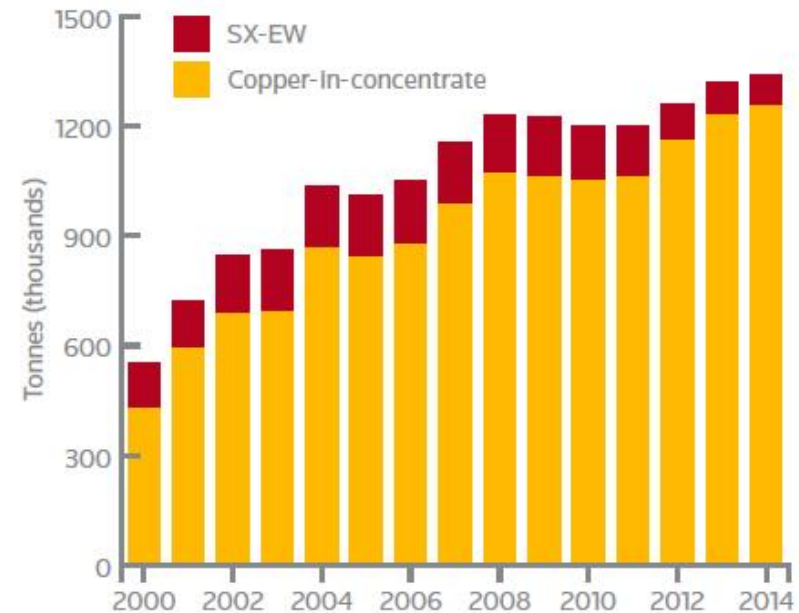
IMF Survey Magazine: Countries & Regions  
Peru: Latin America's Economic Performer

Following a decade of record-high growth, Peru's economy has remained strong and resilient despite the persistent global uncertainty, thanks to strong fundamentals, supportive terms of trade and sound policy management.

# Copper production to increase to 2.8Mtpa by end 2015

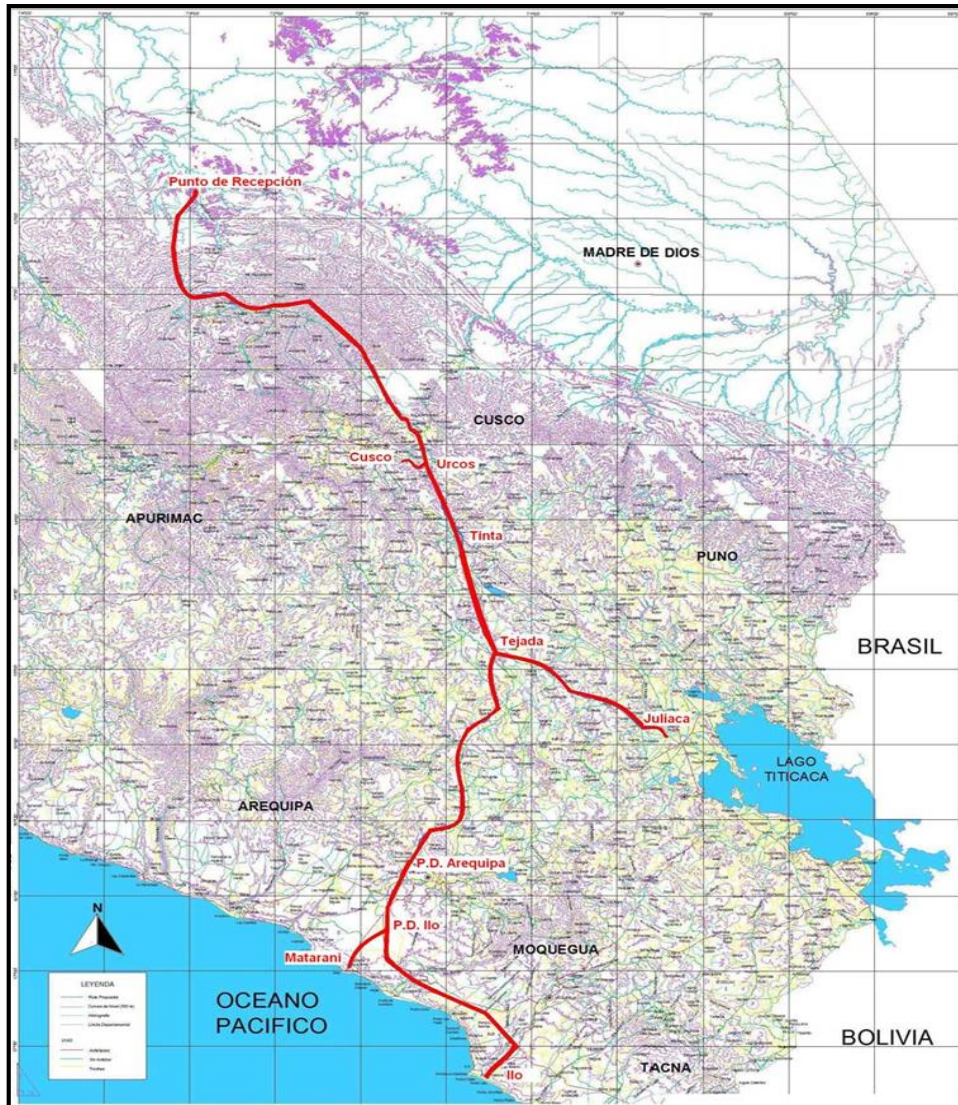
- Long history of mining, second largest producer of copper after Chile.
- Five major copper mines, with an estimated investment of \$13 billion, are expected to begin production in Peru before 2016, increasing the country's copper output from 1.3 million tonnes last year to 2.8 million tonnes.
  - Hudbay Minerals' \$1.55bn Constancia project.
  - MMG's \$5.2bn Las Bambas project.
  - Freeport McMoran's \$4.4bn expansion of the Cerro Verde mine.
  - Southern Copper's \$900 million expansion of the Toquepala mine.
  - Southern Copper's Tia Maria copper leach mine near Arequipa.
- Inclusive of Anglo American's Quellaveco project and Metminco's Los Calatos project, a further 300,000tpa of copper output is expected.

## PERUVIAN MINE PRODUCTION



Source: GFMS, Thomson Reuters; ICSG

# Southern Peru gas pipeline – improved power costs



- Camesia gas pipeline now under construction - due for completion 2016/2017
- Gas to fuel power generation, explosives and agricultural industries and gas sales
- Will deliver long term low cost power to the Region
- **Government indication to Minera Hampton Peru for long term power costs of 6c/kWh**



**APPENDIX 4**  
*Corporate*



# Capital structure, shareholding & volumes traded

Listed ASX : AIM	MNC.AX MNC.L
Share Price (17 Sept '15)	A\$0.005 [£0.002]
Share price (52-Weeks)	A\$0.003 - A\$0.019
Issued Shares	2,656m
Market Capitalisation	A\$13.3m [£6.1m]
Total options issued	569m
Fully Diluted	3,225m
Free Float	89%
Debt	Nil
Cash (30 June '15)	A\$2.0m

Shareholding (30 June '15)	
Directors & Management	10.8%
Top 10 Shareholders	31.8%
Top 25 Shareholders	47.2%

Daily Volumes Traded (ASX)	
3-months	3.73m
6-months	4.17m
12-months	3.20m

Brokers	
NOMAD (London)	RFC Ambrian
Joint Brokers (Australia)	RFC Ambrian & Patersons



# Board of Directors

## Executive and Non-Executive Directors



**Timothy (Tim) Read**  
*Chairman*

- Tim has over 40 years' experience in the metals and mining sector, firstly as a research analyst and then an investment banker, and most recently a corporate executive and director
- He was Co-Head of Mining Investment Banking at Merrill Lynch and subsequently Chief Executive of Adastra Minerals which was acquired by First Quantum and non-executive director for companies including Cumerio SA, Kopane Diamond Developments and Faroe Petroleum



**William Howe**  
*Managing Director*

- William 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 construction, development and operation of a number of new mining operations in Australia and South East Asia including the development of the first copper leach operation in Australia
- William was the founder of Hampton Mining and Straits Resources, Managing Director of Ghana Gold, Hargraves Resources, Selwyn Mines and Hampton Mining



**Steve Tainton**  
*Executive Director*

- Steve is a geologist by profession and has over 30 years experience in the exploration and mining sector of Africa
- He started his career with Johannesburg Consolidated Investments, having held various positions in management including exploration through to business development
- Steve was Executive Director of Western Areas, prior to the sale to Gold Fields, and subsequently held the position of Senior Consultant Strategy for Gold Fields' SA region and thereafter joined Partners in Performance, a Sydney based consultancy group



**Dr Roger Higgins**  
*Non-Executive Director*

- 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



**Dr Phillip Wing**  
*Non-Executive Director*

- Phillip is a founding investor and founding Chairman of the Company having previously been responsible for capital raising and investor relationships in Australia and Asia
- He is currently Executive Chairman of a special purpose private equity firm and non-executive director of six investee companies ranging from medical devices to mining
- Phillip was most recently a Partner at Technology Venture Partners, a specialist venture capital firm in the technology sector



**Francisco Vergara-Irarrazaval**  
*Non-Executive Director*

- Francisco has over 30 years' experience in the mining industry in Latin America
- He was Vice President at St. Joe Minerals Corporation, and later established Vergara & Cia, Law Firm, providing legal services to mining companies and engineering firms focused on natural resources, energy, shipping and salmon industry in Chile and agriculture

# Contact details

**Sydney Office**  
Metminco Limited  
Level 6  
122 Walker Street  
North Sydney  
NSW 2060  
Australia

Ph: [+61 \(2\) 9460 1856](tel:+61294601856)  
Fax: +61 (2) 9460 1857  
Email: [info@metminco.com](mailto:info@metminco.com)