

ASX Announcement

15 August 2019

Takeover Offer Closes

Metminco Limited (ASX: MNC) (“Metminco” or “the Company”) refers to its all scrip takeover offer for 100% of the fully paid shares in Andes Resources Limited (“**Takeover Offer**”) (“**Andes**”).

Metminco is pleased to confirm that the Takeover Offer closed at 5pm (AEST) on 15 August 2019 and at close of the Takeover Offer, Metminco had received acceptances of 103,824,990 of 104,104,157 Andes Shares. Metminco has a relevant interest in 99.7% of all Andes shares on issue.

Metminco has now commenced the compulsory acquisition process for the remaining Andes shares on issue.

Compulsory acquisition notices and related correspondence has been dispatched to those Andes shareholders who have not accepted the Takeover Offer and the relevant notices lodged with ASIC.

RMB Australia Holdings Limited (“**RMB**”)¹ will be allocated 1,000,000,000 Metminco shares, which are to be issued in consideration for entry into the RMB Debt Refinancing Agreement², upon RMB receiving approval from the South African Reserve Bank. Based on conversations with RMB, Metminco expects this approval to be forthcoming within the coming weeks and will update the market in due course.

A copy of the compulsory acquisition notice and correspondence is attached to this announcement.

For further enquiries contact:

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¹As defined in Metminco’s New Prospectus, dated 19 July 2019.

² ibid



15 August 2019

Dear Andes Shareholder,

Compulsory Acquisition Notice

We refer to the off-market takeover offer by Metminco Limited (ACN 119 759 349) (**Metminco**) for all the shares in Andes Resources Limited (ACN 166 866 691) (**Andes**), (**Takeover Offer**), the terms of which were set out in Metminco's Bidder's Statement dated 18 June 2019 and Supplementary Bidder's Statement dated 17 July 2019.

As at 15 August 2019, being the closing date of the offers made under the Takeover Bid, Metminco acquired a relevant interest in over 90% of all Andes shares on issue and subject to the Takeover Offer.

Accordingly, Metminco will now exercise its right to acquire the remaining shares under the compulsory acquisition provisions of the *Corporations Act 2001* (Cth) (**Corporations Act**). The compulsory acquisition will be on the same terms as the Takeover Offer (that is, 25 Metminco Shares for every 1 Andes share held).

This letter is being sent to you because you are currently registered as a holder of Andes shares and there is no record of you having validly accepted the Takeover Offer.

If you have accepted Metminco's Takeover Offer, you can disregard this letter.

Pursuant, to section 661B(1)(c)(i) of the Corporations Act, a copy of Metminco's ASIC Form 6021(Notice of Compulsory Acquisition Following Takeover Bid) (**Notice**), which sets out further information on the compulsory acquisition process is enclosed. You do not need to sign or return this notice.

Metminco confirms that pursuant to section 661B(2)(b) of the Corporations Act, Metminco has lodged the Notice with ASIC.

On completion of the compulsory acquisition process, Metminco will issue to Andes the consideration for the Shares compulsorily acquired by Metminco. If your shares are compulsorily acquired, you will be sent a letter from Andes advising you how to claim their consideration.

Yours sincerely

A handwritten signature in black ink, appearing to read "Kevin Wilson".

Kevin Wilson
Executive Chairman

Notice of compulsory acquisition following takeover bid

Notice

Description of class of securities to which the bid relates

Name of target company or body

Tick applicable box(es)

Name of bidder

Tick one box

Date offers closed or are scheduled to close

Tick applicable box(es).
(See subsection 661A(4) and (4A))

Description of securities

Description of securities

Tick one box

To each holder of:

Fully paid ordinary shares

('Bid Class Securities')

in

Name ('the Company')

Andes Resources Limited

ACN/ARBN/ARSN

166 866 691

- and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.
- and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

1. Under a takeover bid offers were made by
Metminco Ltd (ACN 119 866 691)

in respect of the acquisition of Bid Class Securities in the company.

The offers

- closed
- are scheduled to close

on

Date

1 5 / 0 8 / 1 9
[D D] [M M] [Y Y]

2. You are, as at the date of this notice, the holder of one or more of the following
- securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)
 - securities to which the bid related issued after the end of the offer period and before the date of this notice
 - securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related
 - securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

the following securities in the bid class in which the bidder has a relevant interest

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

- 661A(1)
- 661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

Continued... Notice

- 4. Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date of lodgement

Date

| | | | | | | | |
|----|----|---|----|----|---|----|----|
| 1 | 5 | / | 0 | 8 | / | 1 | 9 |
| [D | D] | | [M | M] | | [Y | Y] |

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

- 4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

Details of alternative terms.

| |
|-----|
| N/A |
| |
| |

If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

Set out the terms that will apply

| |
|-----|
| N/A |
| |
| |

- 5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

- 6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

Tick one box

this notice was given.

the end of the offer period.

- 7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.

- 8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature

Name of person signing

Kevin Wilson

Capacity

Executive Chairman

Signature



Date signed

| | | | | | | | |
|----|----|---|----|----|---|----|----|
| 1 | 5 | / | 0 | 8 | / | 1 | 9 |
| [D | D] | | [M | M] | | [Y | Y] |