

METMINCO COMPLETES PURCHASE OF COLOMBIAN GOLD PORTFOLIO

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) is pleased to announce that it has today completed the purchase of Minera Seafield SAS from RMB Australia Holdings Limited (“RMB”) which was announced on 7 March 2016 (the “Acquisition”). RMB requires South African Reserve Bank clearance before settlement can take place, which is expected within the next 2 weeks. On settlement Metminco will issue RMB with 350 million ordinary shares in Metminco and reimburse RMB approximately A\$170,000 for expenses incurred as per the Sale and Purchase Agreement.

The Acquisition, which consists of the Quinchia Gold Portfolio, is an excellent fit to the Company’s strategy and capabilities. It paves the way for Metminco to become a gold producer with strong cash flows to fund its growth strategies, including the exploration of targets with the potential to increase gold resources.

Transaction Highlights

The Quinchia Gold Portfolio includes:

- a near term development opportunity at the Miraflores deposit which contains 1.88Moz gold and 3.8Moz silver, estimated in accordance with NI 43-101 (Measured, Indicated and Inferred Mineral Resource categories). Miraflores is a technically and financially robust project, which has been the subject of two prior PEA’s, a feasibility study that is largely complete, and an internal technical report completed by SRK Consulting (U.S.), Inc (“SRK”);
- an Inferred Mineral Resource of 0.92Moz gold and 1.04Moz silver at the Dosquebradas deposit, estimated in accordance with NI 43-101;
- a significant gold porphyry system at the Tesorito target, where drill hole TS-DH-02 returned an intercept of 384m @ 1.01 g/t gold, 0.9 g/t silver and 0.08% copper from surface (including 29.3m @ 1.9 g/t gold, 1.0 g/t silver and 0.12% copper);
- significant regional exploration potential at the Quinchia Gold Portfolio which is highly prospective for gold deposits typical of the large gold porphyry systems developed along the Mid-Cauca Porphyry Belt in Colombia such as Anglogold Ashanti’s La Colosa deposit (33Moz gold) and Gran Colombia’s Marmato Gold Mine (12Moz gold); and
- the opportunity for Metminco to improve the economics of the Miraflores project by substantially reducing the capital and operating costs through optimisation of development plans and taking advantage of current market conditions.

The terms of the transaction allow Metminco to focus on the development of Miraflores and the drilling of Tesorito without incurring significant upfront acquisition costs.

Mr William Howe, Managing Director, commented: “Completion of the acquisition of Minera Seafield marks an important milestone for Metminco. Through this transaction, the Company has access to highly prospective concessions in the Quinchia district in Colombia with existing NI 43-101 mineral resources, and significant potential to substantially increase these resources.

The near term gold production opportunity at the Miraflores project combined with the drill ready gold/copper porphyry system identified at Tesorito, makes the Quinchia Gold Portfolio a very attractive acquisition for the Company. We are very pleased to have completed the purchase of this important strategic acquisition on such favourable financial terms. The Quinchia Gold Portfolio diversifies our portfolio, enabling Metminco to become a near term gold producer, whilst complementing our existing portfolio of projects.”

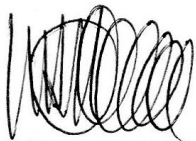
All results mentioned in this announcement are contained in an announcement made by Metminco on 7 March 2016.

The Quinchia Portfolio

The Quinchia Portfolio has a NI 43-101 mineral resource (Measured, Indicated and Inferred Mineral Resource categories) of 134Mt @ 0.65g/t gold for 2.8 million ounces gold comprising the following:

- Miraflores deposit
 - Measured and Indicated Mineral Resource of 72.6Mt @ 0.78g/t gold and 1.52g/t silver; and
 - Inferred Mineral Resource of 3.76Mt @ 0.51g/t gold and 2.28g/t silver (0.27g/t gold cut-off)
- Dosquebradas deposit
 - Inferred Mineral Resource of 57.8Mt @ 0.50g/t gold, 0.60g/t silver and 0.04% copper (0.30g/t gold cut-off)

The Company has contracted SRK to complete a full review of the previous resource estimation signed off as NI 43-101 compliant by others and complete a resource estimate so as to be JORC 2012 compliant. It is expected that the JORC 2012 resource estimate will be completed by the end of June 2016.



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.