

ASX Announcement  
4<sup>th</sup> October 2019

## Tesorito Pre-Drill Program

*Target validation fieldwork planned*

- + **Tesorito re-assessment confirms significant potential of the target**
- + **Field program designed as a pre-cursor to potential follow-up drilling**

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An immediate action stemming from the geological/target review (see announcement 10<sup>th</sup> September 2019<sup>1</sup>) commissioned by the new Board of Metminco Limited (ASX: MNC) (“Metminco” or “the Company”) was to critically re-visit the data set and interpretation of the Tesorito gold target. The re-assessment was led by the Company’s Consulting Geologist Nick Winer, who played a significant role in the discovery of the Nuevo Chaquiro copper-gold porphyry deposit 50km to the north, and confirmed the appeal of Tesorito and identified a program of work to advance the target.

Tesorito is a sub-outcropping mineralised porphyry discovery located approximately 1km to the north of Chuscal (Figure 1) where the Company is currently drilling, and only several hundred metres from the proposed processing facility described in the Miraflores feasibility study<sup>2</sup>. Work to date has included mapping, rockchip and soil geochemistry sampling programs, aerogeophysics (magnetic, radiometric), IP surveys and drilling. Each of the seven diamond drill holes at Tesorito intersected significant widths of gold mineralisation (Table 1) within a multi-phase porphyritic intrusive complex (refer ASX Release 30<sup>th</sup> August 2018)<sup>1</sup>; results included:

- **384m @ 1.01g/t Au from 16m to end-of-hole, including 32.5m @ 1.34 g/t Au from 48.8m; and 156.6m @ 1.28 g/t Au from 88.3m** in TS-DH-02
- **64m @ 1.67g/t Au from 144m, within 253.1m @ 1.01 g/t Au from 2.9m** in TS-DH-07

Metminco’s Managing Director, Jason Stirbinskis added *“In addition to the impressive drill intercepts, the results in holes ’07 and ’02 are geologically significant and a major catalyst for the re-assessment. Hole TS-DH-07 was the best result at Tesorito and, most interestingly, was drilled oblique to all previous holes which has prompted a re-assessment of structures influencing the distribution of mineralisation. Hole TS-DH-02 ended in a mineralised zone that included 2.6% Cu over 0.7m at 390.8m implying there could be a Cu- rich zone at depth”*.

Previous drill programs at Tesorito assumed that mineralization was primarily controlled by a regional N-S trending bounding structure (Figure 2). This interpretation remains valid at a macro level, however detailed assessment of rockchip geochemistry data suggests the gold target and porphyry pulses lie in NW-trending, low pressure zones (or dilation zones) within the N-S trending zone. All holes except TS-DH-07 were drilled sub-parallel to these NW trending target zones.

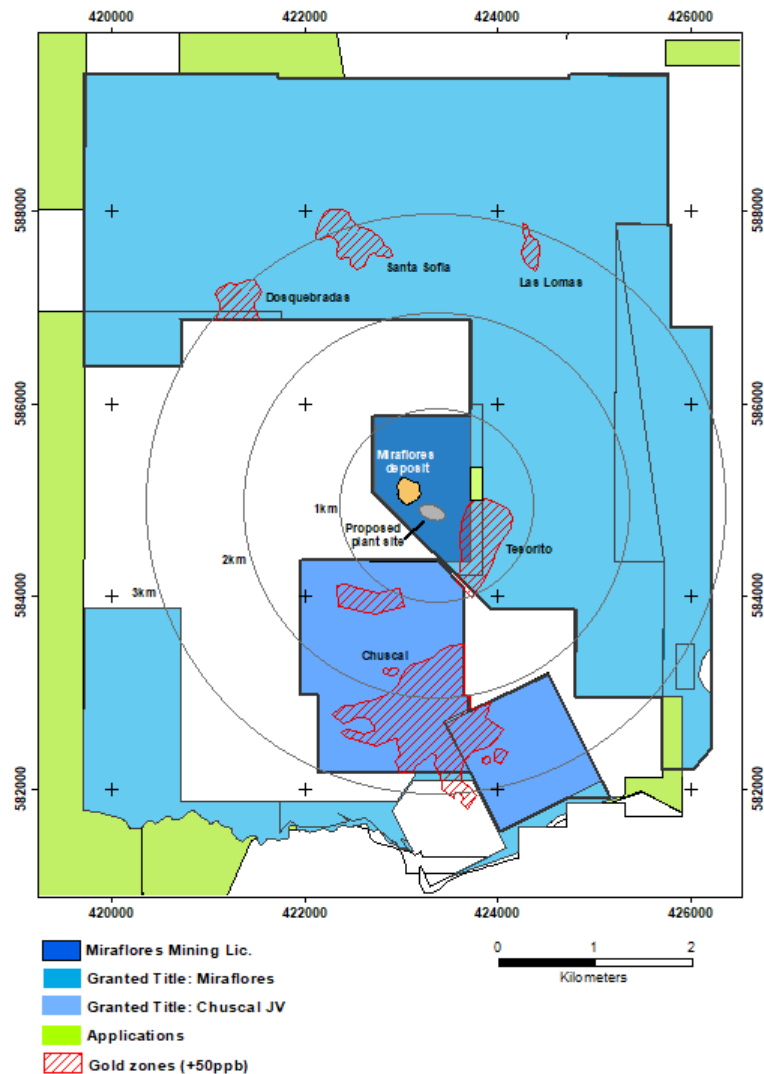
Litho-geochemical mapping has revealed a N-S trending, 2km long x 200m to 600m wide zone of alteration, and gold mineralisation in soils with only ~300m of that strike tested by drilling to date. The NW trend is consistent with known regional controls on mineralization in other deposits in the region such as Nuevo Chaquiro which is a high-grade Cu-Au porphyry just 50km to the north (M&I resource (2016): 105Mt @ 1,08% Cu & 0,62gpt Au<sup>3</sup>).

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<sup>1</sup> The Company confirms that it is not aware of new information or data that materially affects information included in the ASX announcement.

<sup>2</sup> Refer ASX announcement of 27<sup>th</sup> October 2017. The Company confirms it is not aware of new information or data that materially affects the information in the announcement, and that all material assumptions and technical parameters underpinning the estimate continue to apply.

<sup>3</sup> Source. AngloGold Ashanti Annual Report 2016.



**Figure 1. Location of the Company’s major gold targets in the Quinchia Gold portfolio, Risaralda, Colombia.**

To further validate the model and assist in drill hole targeting, the Company has developed a pre-drill program including extending the soil geochemistry grid, re-logging drill core and undertaking a ground magnetics survey.

The soil sampling geochemistry program will close the existing grid spacing from 200m x 50m to 100m x 50m and extend the grid to better define the target zones.

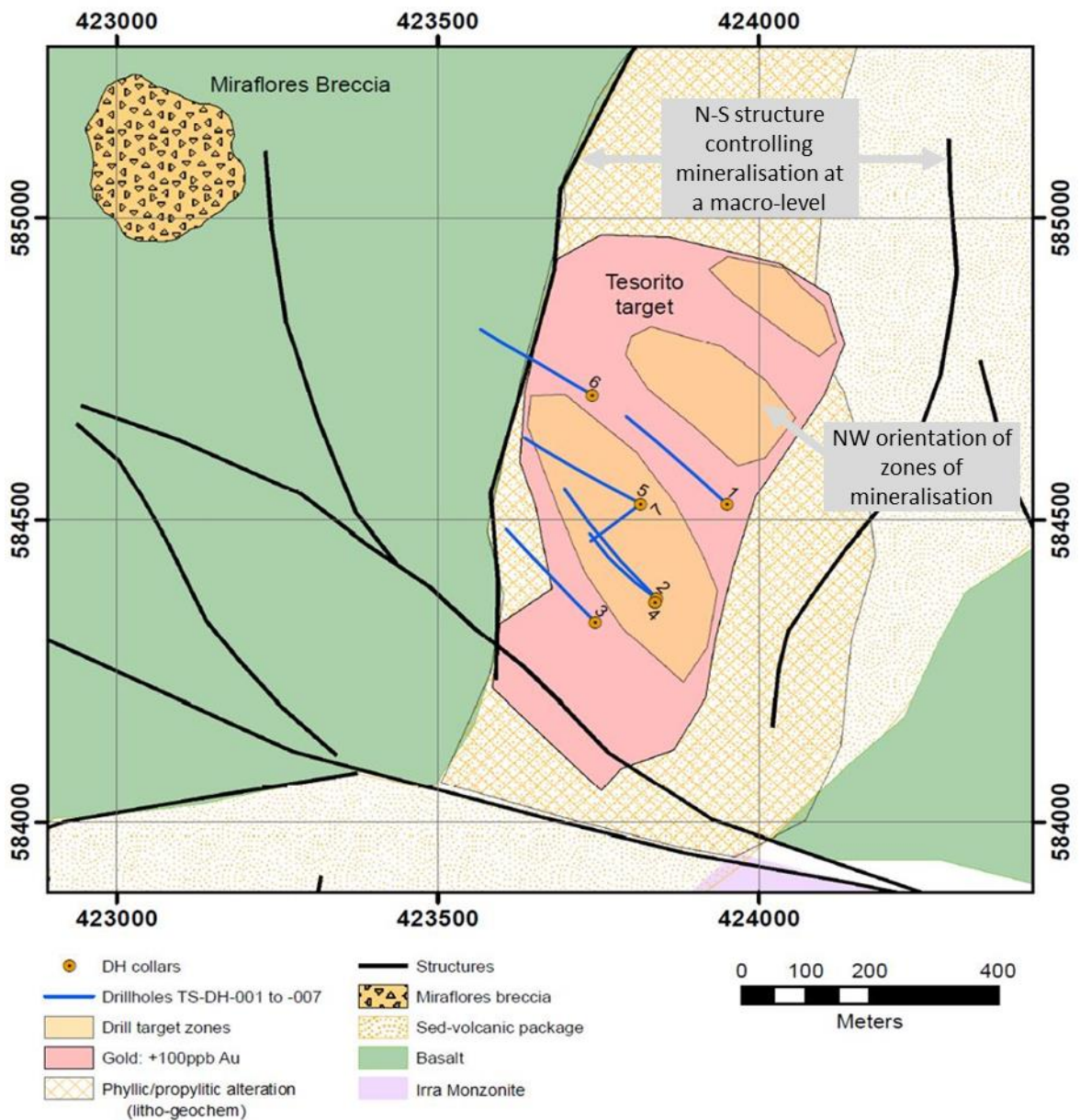
The Tesorito drill core will be re-logged with particular attention to rock composition (lithology) and texture using litho-geochemistry and rock thin sections. The reassessment study has identified variations in geochemistry and texture markers that were not apparent in the original core logging exercise and is expected to lead to better targeting.

Similarly, the ground magnetics survey will provide greater resolution than the previous regional programs. There is a subtle but significant magnetic feature associated with the Tesorito porphyry zone which probably reflects the overall potassic alteration part of the system. The new magnetics survey is designed to enable 3D modelling which is expected to provide useful targeting.

The above field programs will allow Metminco to generate a 3D geologic model which will provide valuable information to design a follow up Tesorito drill program.

Mr Stirbinskis added *“Completing the above program in the next few months will provide the opportunity to add a validation drilling program to the back end of the current Chuscal drill program<sup>4</sup>. The Tesorito target has the potential to provide additional resources to a district scale mining operation. Metminco management is of the belief that the target remains with considerable untested potential for defining continuity of higher grade zones such as that intersected in TS-DH-007 and for evaluation of the copper potential.”*

<sup>4</sup> The Chuscal Gold Target is a JV with AngloGold Ashanti Colombia SA. Metminco can earn 51% through US\$2.5M of exploration expenditure (see ASX Announcement 6<sup>th</sup> December 2018). Metminco is the manager of the JV.



**Figure 2:** Note drill hole TS-DH-07 is the only hole to drill sub-perpendicular to the NW orientation of the drill target zones. Repeats of the NW-trending areas to the north of hole '07 have not been drilled. The phyllic/propylitic alteration is 2km N-S, extending beyond the northern map limit.

Further information will be provided as the drill targeting advances.

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Drill Hole	Assays
TS-DH-01	<b>266.5m @ 0.46 g/t Au, 0.58 g/t Ag &amp; 0.03% Cu from 83.5m</b>
TS-DH-02	<b>384.0m @ 1.01 g/t Au, 0.86 g/t Ag &amp; 0.08% Cu from 16.0m</b> including: 32.5m @ 1.34 g/t Au, 0.8 g/t Ag & 0.09% Cu from 48.8m; and 156.6m @ 1.28 g/t Au, 0.9 g/t Ag & 0.09% Cu from 88.3m.
TS-DH-03	<b>254.9m @ 0.51 g/t Au, 0.7 g/t Ag &amp; 0.05% Cu from 9.3m</b>
TS-DH-04	<b>179.8m @ 0.7 g/t Au, 0.9 g/t Ag &amp; 0.06% Cu from 3m</b> including: 21.8m @ 1.03 g/t Au, 0.9 g/t Ag & 0.08% Cu from 3m; and 88.0m @ 0.84 g/t Au, 1.0 g/t Ag & 0.08% Cu from 26.8m.
TS-DH-05	<b>140.3m @ 0.44 g/t Au, 0.6 g/t Ag &amp; 0.05% Cu from 1.7m</b> including: 16.9m @ 1.01 g/t Au, 0.34 g/t Ag & 0.07% Cu from 1.7m; and 10.9m @ 0.56 g/t Au, 1.1 g/t Ag & 0.08% Cu from 26.8m; and 15.5m @ 0.61 g/t Au, 0.83 g/t Ag & 0.06% Cu from 112.6m.
	<b>38.7m @ 0.40 g/t Au, 1.25 g/t Ag &amp; 0.05% Cu from 179.0m</b> including: 10.3m @ 0.50 g/t Au, 0.8 g/t Ag & 0.05% Cu from 179m.
	<b>75.8m @ 0.60 g/t Au, 0.71 g/t Ag &amp; 0.04% Cu from 259.9m</b> including: 21.0m @ 0.76 g/t Au, 0.8 g/t Ag & 0.05% Cu from 278.8m; and 12.9m @ 1.07 g/t Au, 0.5 g/t Ag & 0.04% Cu from 308.2m.
TS-DH-06	<b>130.0m @ 0.31 g/t Au, 0.48 g/t Ag &amp; 0.03% Cu from 2.0m</b> including: 18.0m @ 0.77 g/t Au, 1.0 g/t Ag & 0.07% Cu from 78.0m.
TS-DH-07	<b>253.1m @ 1.01 g/t Au, 0.87 g/t Ag &amp; 0.07% Cu from 2.9m</b> including: 18.0m @ 1.23 g/t Au, 1.0 g/t Ag & 0.07% Cu from 54.0m; and 10.0m @ 0.89 g/t Au, 1.1 g/t Ag & 0.07% Cu from 94.0m; and 10.0m @ 1.18 g/t Au, 0.57 g/t Ag & 0.06% Cu from 126m; and 64.0m @ 1.67 g/t Au, 0.91 g/t Ag & 0.11% Cu from 144.0m; and 10.0m @ 1.10 g/t Au, 1.2 g/t Ag & 0.06% Cu from 240.0m.

**Table 1: Tesorito Drill Results. See ASX announcement 30<sup>th</sup> August 2018<sup>1</sup> for supporting detail.**

## **JORC STATEMENTS - COMPETENT PERSONS STATEMENTS**

The technical information related to Metminco's assets contained in this report that relates to Exploration Results (excluding those pertaining to Mineral Resources and Reserves) is based on information compiled by Mr Nicholas Winer, who is a Member of the Australasian Institute of Mining and Metallurgy and who is a Consulting Geologist employed on a part-time basis. Mr Winer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Winer consents to the inclusion in the release of the matters based on the information he has compiled in the form and context in which it appears.

The Company is not aware of any new information or data that materially affects the information included in this release.

**FORWARD LOOKING STATEMENTS** This document contains forward looking statements concerning Metminco. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Metminco's beliefs, opinions and estimates of Metminco as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur