

MOLLACAS MINING ACCESS RIGHTS

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) advises the Chilean Supreme Court has upheld a prior ruling by the Court of Appeal of Region IV, Chile, which overturned a decision granting access for mining purposes to Minera Hampton Chile Limitada (“MHC”), a wholly owned subsidiary of Metminco and the owner of the Mollacas copper project, from a lower court.

This ruling does not affect MHC’s mining concession rights or the existing access rights previously granted.

MHC and the Company will continue to evaluate other alternatives to secure mining access rights.

Land Holdings and Mining Rights

The Company holds title to 21 Exploitation Concessions covering the Mollacas deposit and surrounding area, and owns 179 ha of land adjacent to the proposed open pit operation. It is proposed that the infrastructure for the planned mining operation will be located on Company owned land.

In addition, Metminco also owns water rights to approximately 175 litres/sec from two canals, albeit that the estimated water usage for the mining operation will only be 40 litres/sec.

Mr William Howe, Managing Director, commented: “Given the Supreme Court’s decision, the Company will continue to evaluate other options to resolve this mining access dispute, and in so doing, facilitate the development of the Mollacas Project.

In relation to the Company’s 100% owned Los Calatos copper molybdenum project the process of securing a strategic partner for Los Calatos is progressing with parties working through their due diligence. Although the process is taking longer than initially anticipated, due mainly to current market conditions, but also the requirement to secure a deal that reflects real value for shareholders, a number of new parties entered the process in late 2015.”



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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 0.5% Cu, comprising a Measured and Indicated Mineral Resource of 136 million tonnes at 0.73% Cu and 434 ppm Mo, and an Inferred Mineral Resource of 216 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 an early stage exploration project where initial exploration activities have identified anomalous copper and molybdenum 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.

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.