26 April 2012 **ASX Release**

Metminco Limited
ABN 43 119 759 349

Corporate Details

ASX Code: MNC.AX
AIM Code: MNC.L

Issued capital
1.749.5m Ord. shares
69.2m Options

Directors
Chairman
Antonio Ortuzar
Managing Director
William Howe
Non-Executive Directors
Francisco Vergara
Bill Etheridge
Phillip Wing
Tim Read

Company Secretary & CFO
Philip Killen

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Los Calatos Resource increased by 170% to 9.4 million tonnes contained copper

- **SRK Consulting (Chile) S.A. complete interim resource estimate for Los Calatos**
- **Cu-Mo resource tonnage increases by 150% from 0.926 to 2.32 billion tonnes**
- **Copper grade improves from 0.37% to 0.40%**
- **Eight-fold increase in Indicated Mineral Resource category to 885 million tonnes**
- **Mineralisation remains open at depth**
- **Phase 4 infill drilling program (100,000m) to be completed by the end of 2012**

Key results – interim resource estimate

Indicated Mineral Resource of 885 million tonnes at 0.42% Cu and 0.027% Mo (3.7 million tonnes and 0.24 million tonnes metal respectively).

Inferred Mineral Resource of 1,432 million tonnes at 0.40% Cu and 0.018% Mo (5.7 million tonnes and 0.26 million tonnes metal respectively).

Total contained Cu and Mo metal is 9.4 million tonnes and 0.50 million tonnes respectively.

Further infill drilling to upgrade resource is currently in progress.

Significant drill hole results (Phase 4a)

BHID	Mineralised Intercept	Depth Interval
CD-57	115m at 0.44% Cu & 634ppm Mo *and* 1,015m at 0.51% Cu & 233ppm Mo	711 to 826m 879 to 1,894m
CD-61	309m at 0.97% Cu & 1,052ppm Mo	878 to 1,187m

Note: CD-61 not included in the resource model due to timing

Introduction

With the completion of the Company's Phase 4a drilling program at the Los Calatos Project, Metminco Limited ("Metminco" or the "Company") commissioned SRK Consulting, Chile S.A. ("SRK") to model and calculate an interim mineral resource estimate for its 100% owned copper – molybdenum project in southern Peru.

The new resource model incorporates the drilling results from 113 drill holes totalling 90,403 metres, of which 31,550 metres[1] were used in estimating the mineral resource associated with the Los Calatos mineralised envelope.

Review of resource estimate

The mineral resource statement for the Los Calatos copper-molybdenum deposit has been reported at a 0.2% Cu cut-off grade, and categorised into Indicated and Inferred Mineral Resources in accordance with the JORC standards for Reporting Mineral Resources and Mineral Reserves (see Table 1 below).

Table 1: Mineral Resource Statement for the Los Calatos Copper-Molybdenum Project, Arequipa, Peru, SRK Consulting (Chile) S.A., April 19, 2012.

Resource Classification	Tonnage (Kilotonnes)	Cu (%)	Mo (%)
Measured	-	-	-
Indicated	884,608	0.42	0.027
Total Measured and Indicated	**884,608**	**0.42**	**0.027**
Total Inferred	**1,431,556**	**0.40**	**0.018**

Note:

i) Mineral Resource reported at a 0.2% Cu cut-off

Further, based on Table 1 above, the contained metal by resource category is summarised in Table 2 below.

Table 2: Summary of metal content by resource category (based on the 0.2% Cu cut-off from Table 3, Appendix 1).

Resource Classification	Tonnage (Kilotonnes)	Cu (Mt)	Mo (Kt)	Contained Metal (%)
Indicated	884,608	3.7	239	48%
Inferred	1,431,556	5.7	258	52%
Total Indicated and Inferred	**2,316,164**	**9.4**	**497**	**100%**

Note:

i) Rounding-off of figures may result in minor computational discrepancies, where this happens, it is not deemed significant

Appendix 1 provides more detailed information on the grade-tonnage profile for the Mineral Resource, sensitivities to various cut-off grades, a graphic of the Block Model and a summary of the parameters used to derive the estimate. Also contained in Appendix 1 is a

[1] Mineralised intercepts

comparison between key aspects of the July 2010 and April 2012 Mineral Resource statements.

Drilling results post resource update

Tables 4 and 5, included under Appendix 1, summarise the drilling results for the Los Calatos Phase 4a program. All of these drill holes have been included in the latest resource estimate, apart from drill hole CD-61, which returned the following significant results:

CD-61	933 metres at 0.51% Cu and 407 ppm Mo	767 to 1,700m
including	309 metres at 0.97% Cu and 1,052 ppm Mo	878 to 1,187m

Proposed work program

The Phase 4b drilling program, which includes an additional 70,000 metres of infill drilling, has commenced. The program, which is focused primarily on upgrading the current resource categories, is to be completed by the 2012 calendar year-end. Eight drilling rigs are presently operating in the field.

A further Mineral Resource estimate, reported in accordance with the JORC Code (2004), will be undertaken at the end of the year, on completion of the Phase 4b drilling program. This resource update will be followed by the commissioning of a pre-feasibility study in early 2013.

An internal mining study has been initiated aimed at identifying the main requirements of the pre-feasibility study. This will address aspects such as the planned seawater pipeline to the coast (and associated loading facility), access to the regional power grid, quantification of the metallurgical testwork required to evaluate the use of sea water for flotation purposes (and refine recoveries), and the assessment of different mining options.

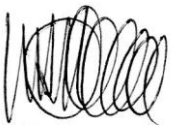
Company Background

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

The Los Calatos Project, located in southern Peru, has a Mineral Resource of 2,316 million tonnes, comprising an Indicated Resource of 885 million tonnes at 0.42% Cu and 270 ppm Mo, and an Inferred Resource of 1,431 million tonnes at 0.40% Cu and 180 ppm Mo (at a 0.2% copper cut-off).

The Chilean assets include the Mollacas copper leach project with a Mineral Resource of 17 million tonnes consisting of an Indicated Resource of 7.2 million tonnes at 0.56% copper, and an Inferred Resource of 9.8 million tonnes at 0.52% copper (at a 0.2% copper cut-off); and the Vallecillo gold zinc project with a Mineral Resource of 10.1 million tonnes consisting of an Indicated Resource of 7.9 million tonnes at 1.14g/t Au; 11.4g/t Ag; 1.32% Zn; 0.29% Pb and an Inferred Resource of 2.2 million tonnes at 0.78g/t Au; 8.2g/t Ag; 0.58% Zn; 0.26% Pb (at a cut-off grade of 0.3g/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.



William Howe
Managing Director

Competent Person's Statement

Metminco

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 a full-time employee of the Company as Executive General Manager.

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.

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

The information provided in this ASX Release as it relates to Exploration Results and Mineral Resources of the Los Calatos copper-molybdenum deposit is based on information compiled by George G. Even, Principal Geologist of SRK Consulting in Santiago, Chile. Mr Even, a Qualified Person for JORC compliant statements, reviewed the technical information presented in this document. Mr Ernesto Jaramillo, Principal Resource Geologist with SRK Santiago, performed the resource estimation. Mr Even 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 Even and Mr Jaramillo have consented to be named in this announcement, and have approved of the inclusion of the information attributed to them in the form and context in which it appears herein.

APPENDIX 1

Summary of Results

Table 3: Sensitivity of the Los Calatos Mineral Resource to the copper cut-off grade.

Cut-off	Indicated			Inferred			Total		
	Tonnage (Kton)	Cu (%)	Mo (%)	Tonnage (Kton)	Cu (%)	Mo (%)	Tonnage (Kton)	Cu (%)	Mo (%)
1.00	15,151	1.26	0.061	9,206	1.18	0.021	24,358	1.23	0.046
0.95	19,801	1.19	0.059	12,501	1.13	0.021	32,302	1.17	0.044
0.90	26,150	1.13	0.056	18,438	1.06	0.021	44,588	1.10	0.042
0.85	34,032	1.07	0.054	25,673	1.01	0.020	59,705	1.04	0.039
0.80	42,803	1.02	0.052	38,549	0.95	0.020	81,352	0.98	0.037
0.75	56,530	0.96	0.049	50,174	0.91	0.021	106,704	0.93	0.036
0.70	74,652	0.90	0.048	69,516	0.86	0.023	144,168	0.88	0.036
0.65	97,983	0.85	0.047	96,580	0.80	0.024	194,563	0.83	0.036
0.60	126,598	0.80	0.045	140,931	0.75	0.027	267,529	0.77	0.036
0.55	166,542	0.74	0.044	211,008	0.69	0.029	377,549	0.71	0.035
0.50	217,615	0.69	0.042	292,356	0.64	0.028	509,971	0.66	0.034
0.45	283,215	0.64	0.041	412,024	0.59	0.027	695,240	0.61	0.033
0.40	365,033	0.59	0.039	551,301	0.55	0.025	916,334	0.57	0.031
0.35	469,176	0.54	0.036	744,183	0.51	0.024	1,213,359	0.52	0.028
0.30	594,614	0.50	0.033	967,584	0.46	0.022	1,562,198	0.48	0.026
0.25	731,995	0.46	0.030	1,220,954	0.43	0.019	1,952,949	0.44	0.023
0.20	**884,608**	**0.42**	**0.027**	**1,431,556**	**0.40**	**0.018**	**2,316,164**	**0.40**	**0.021**
0.15	1,020,734	0.38	0.025	1,642,684	0.37	0.016	2,663,418	0.37	0.019
0.10	1,100,729	0.37	0.023	1,782,029	0.35	0.015	2,882,758	0.36	0.018
0.05	1,111,809	0.36	0.023	1,886,417	0.33	0.014	2,998,225	0.34	0.017
0.00	1,116,276	0.36	0.023	1,890,465	0.33	0.014	3,006,741	0.34	0.017

Figure 1: Total (Indicated & Inferred) Resource Grade - Tonnage Curve for Cu %.

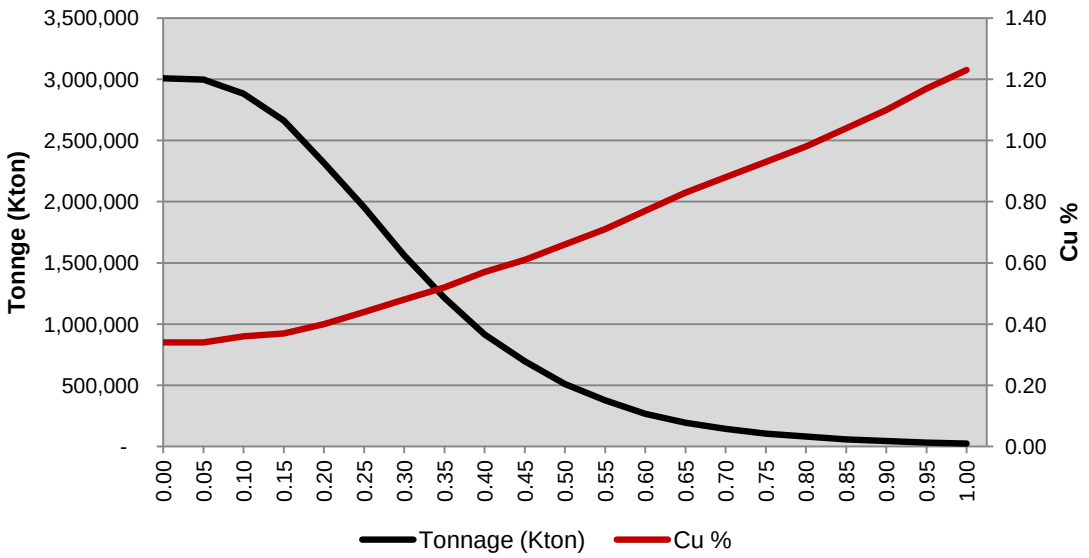
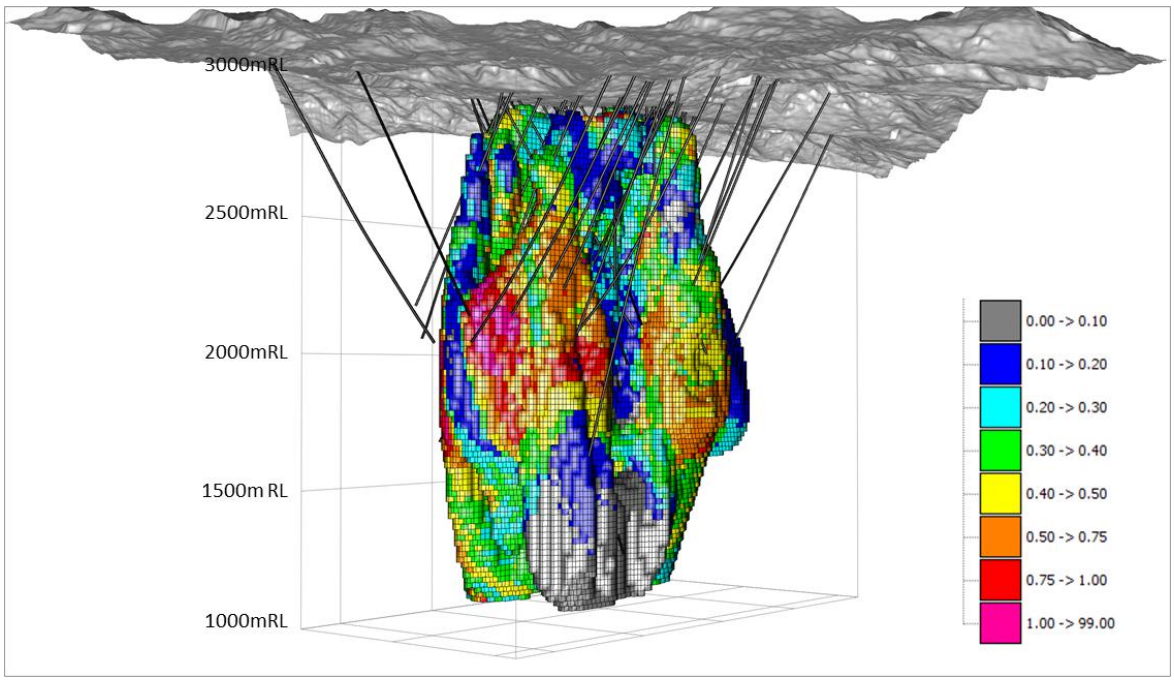


Figure 2: Los Calatos Block Model – Copper Grades (25m x 15m x 20m blocks).



View towards the southwest

Figure 3: Los Calatos Block Model Plan - Grade (%) * thickness (m) contours with Phase 4a drill holes.

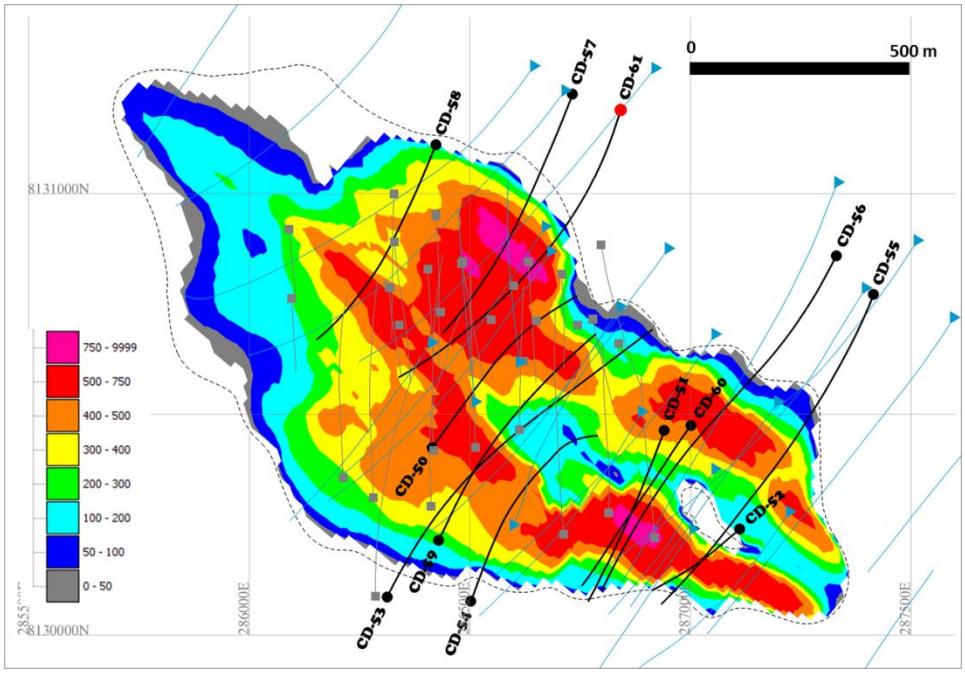
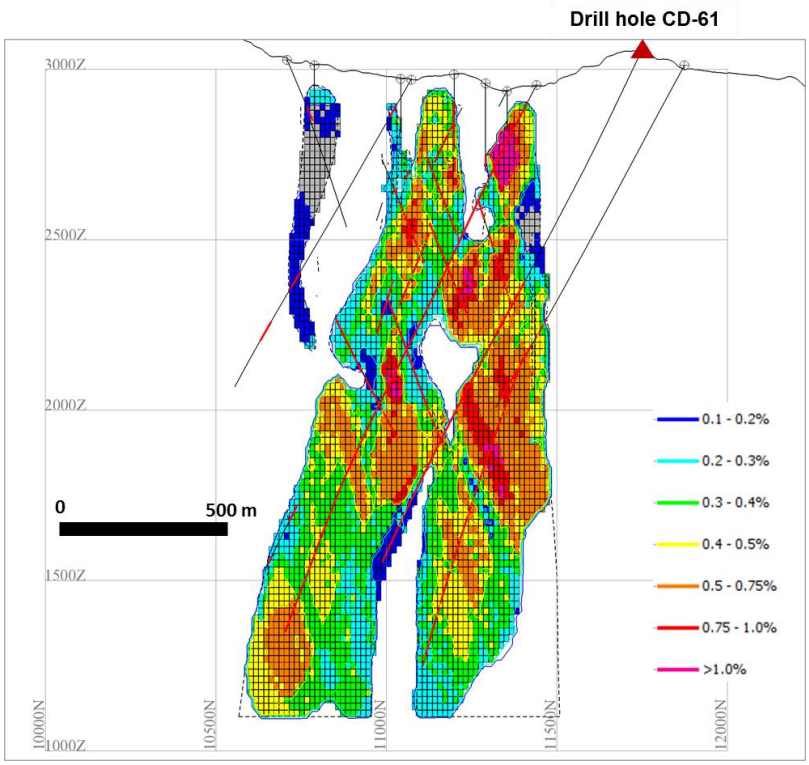
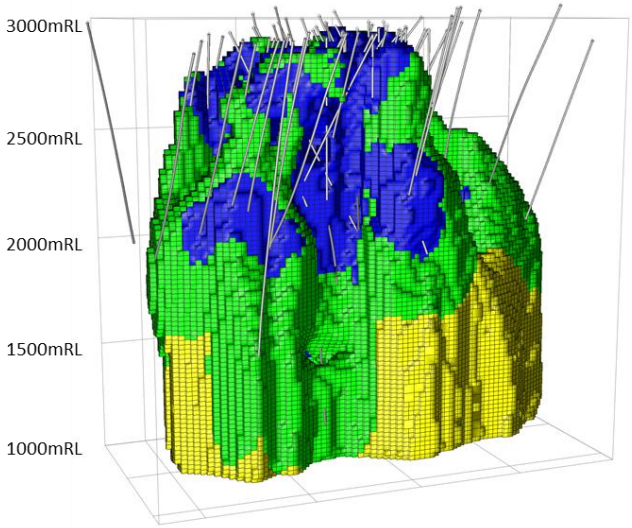


Figure 4: Northeast – southwest section though drill hole CD-61 showing high grade intercept

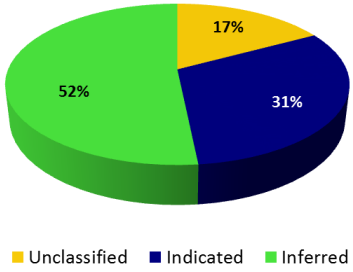


View to the northwest

Figure 5: Mineralised Envelope – Los Calatos Porphyry System.



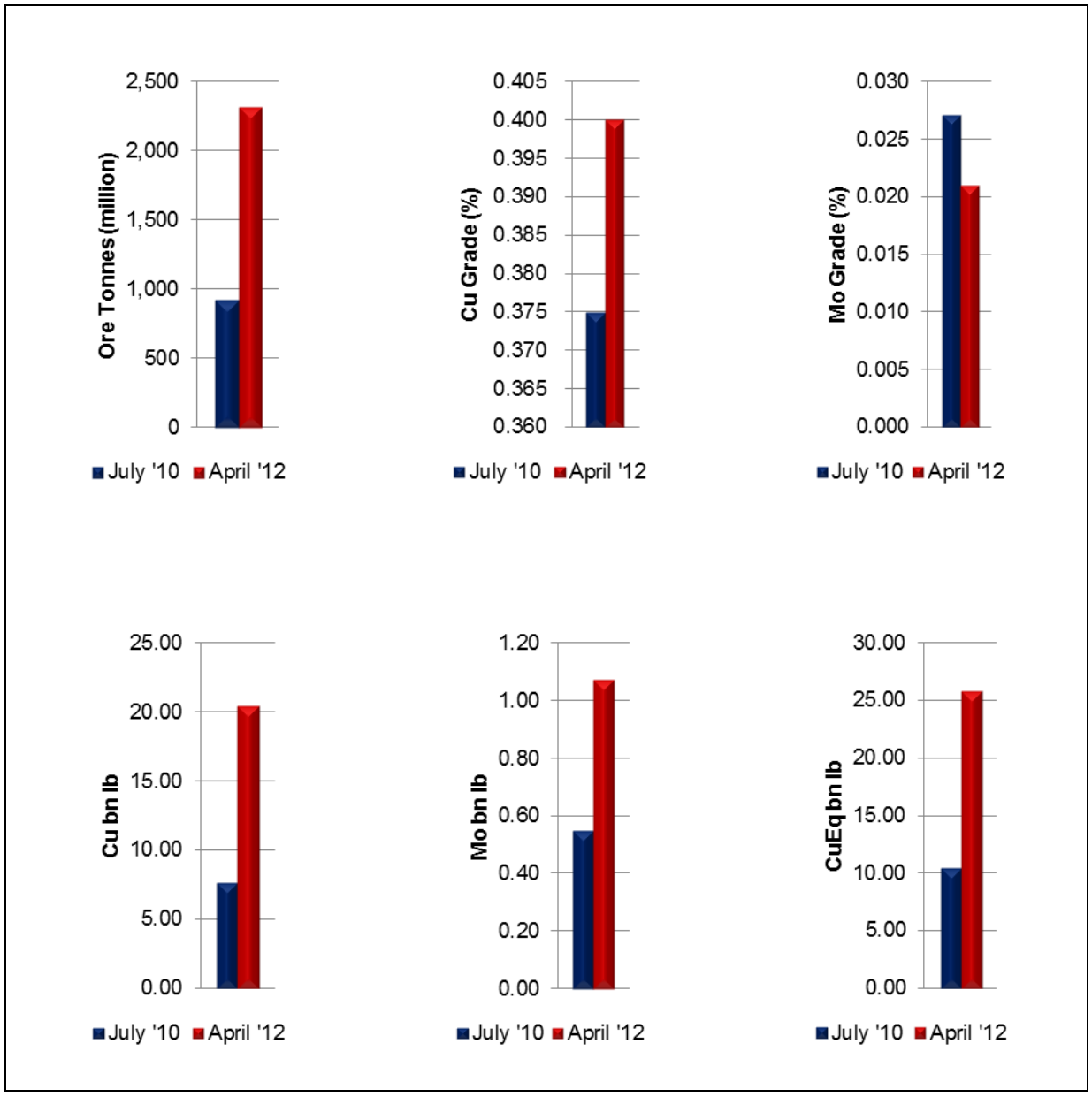
View towards the southwest



	Volume m³
Indicated	400.2 mil
Inferred	660.8 mil
Unclassified	219.2 mil
	1,280.3 mil

Classified volumes – Mineralised Envelope (m³)

Figure 6: Comparison – July 2010 and April 2012 Mineral Resource estimates.



Note: Mo price assumed to be 5 times that of Cu in calculating CuEq

Table 4: Los Calatos - Phase 4a Drilling Results.

Hole ID	Easting (m)	Northing (m)	RL (m)	Azimuth true (degrees)	Dip (degrees)	Hole depth (m)	Depth (m)		Interval (m)	Cu (%)	Mo (ppm)
							From	To			
CD-50	286415	8130424	2978	39	-63	993.3	183	855	672	0.28	217
CD-51	286941	8130464	2916	205	-60	918	383	587	204	0.32	295
CD-52	287111	8130240	2936	238	-69	674.5	318	415	97	0.42	9
CD-53	286312	8130086	3047	31	-64.5	1976.4	670	1089	419	0.42	223
						includes	905	1039	134	0.69	293
							1163	1323	160	0.15	21
							1371	1634	263	0.39	161
							1682	1780	98	0.16	80
CD-54	286502	8130076	3020	23	-70	1577.35	482	836	354	0.25	165
							853	921	68	0.23	292
							933	957	24	0.30	142
							974	1013	39	0.36	129
							1213	1279	66	0.26	7
							1351	1390	39	0.12	11
							1506	1572	66	0.21	78
CD-55	287415	8130772	2924	207	-59	1588.25	762	816	54	0.47	51
							830	998	168	0.36	18
							1125	1154	29	0.13	101
							1240	1435	195	0.26	55
CD-56	287331	8130859	2951	216	-64.5	2003.9	980	1270	290	0.80	184
						includes	990	1102	112	1.14	244
							1289	1385	96	0.47	151
							1401	1734	333	0.43	494
						includes	1672	1732	60	0.75	627
							1772	2004	232	0.55	146
						includes	1809	1843	34	1.02	151
CD-57	286733	8131226	3041	201	-72	1894.8	711	826	115	0.44	634
							850	870	20	0.37	440
							879	1894	1015	0.51	233
						includes	1197	1282	85	1.05	221
CD-58	286423	8131111	2983	206.5	-64	1263.2	870	1263	393	0.26	155

Table 5: Los Calatos - Phase 4a Drilling Results (cont'd)

Hole ID	Easting (m)	Northing (m)	RL (m)	Azimuth true (degrees)	Dip (degrees)	Hole depth (m)	Depth (m)		Interval (m)	Cu (%)	Mo (ppm)
							From	To			
CD-59	286429	8130214	2997	31.5	-61	1277.9	413	601	188	0.20	116
							700	1002	302	0.17	145
							1014	1194	180	0.22	99
CD-60	287001	8130475	2921	221.5	-65.5	997.35	70	103	33	0.17	4
							542	819	277	0.24	146
							912	955	43	0.13	12
CD-61	286842	8131190	3062	204.5	-63	1753.35	767	1700	933	0.51	407
						includes	878	1187	309	0.97	1,052
CD-62	287298	8130550	2913	212.5	-60.5	1195.05					

Note: Results for CD-62 still awaited.

Table 6: Modelling parameters – Interim Resource estimate.

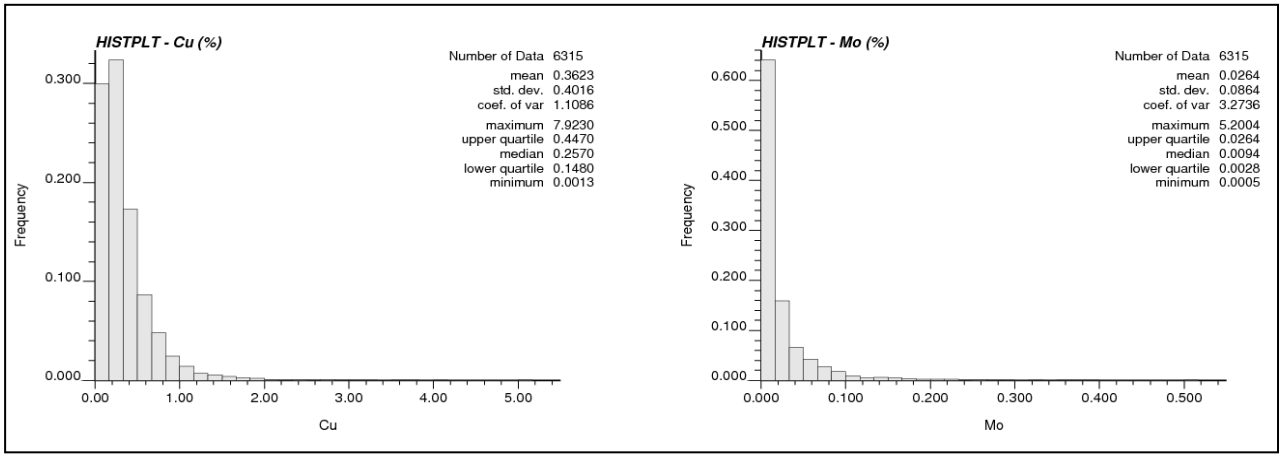
a) Drill holes

Phase	Hole Type	Number of Holes	Drilled Metres	Number of Samples	Drill Holes
1	DDH	13	6,385	6,156	CD-1 to CD-13
2	DDH	11	10,004	9,458	CD-14 to CD-23
3	DDH	26	33,326	27,110	CD-24 to CD-48
4	DDH	24	32,366	13,926	CD-49 to CD-71
Barrick	RC	26	4,189	2,095	
Phelps Dodge	DDH	13	4,133	1,897	
Total		**113**	**90,403**	**60,642**	

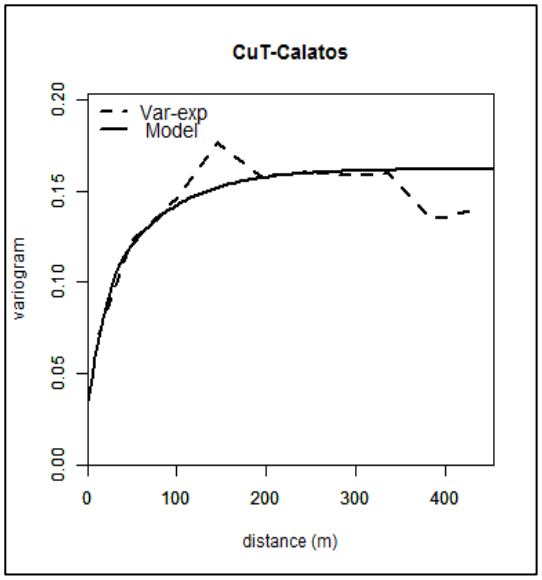
b) Section Spacing and Composites

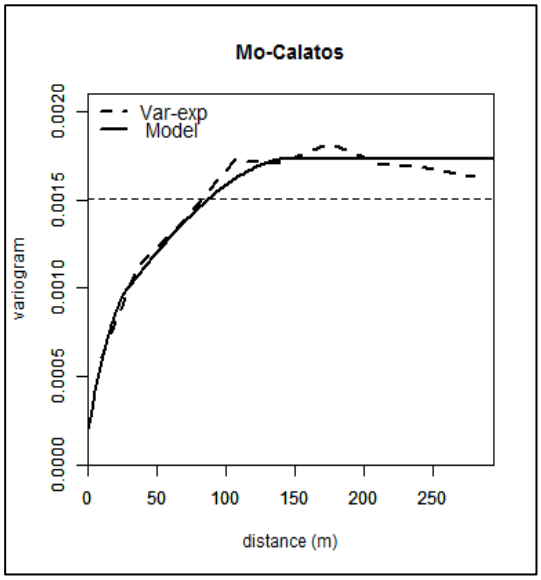
Drill section interpretation spacing	50m
Interpreted mineralised domain volume	1,280,257,500 m^3
Sample composite length	5m
Number of composites used	6,315

c) Descriptive statistics – mineral assays



d) Geostatistical analysis - Variography





Assay	Nugget Effect	1VS Model	1 VS Sill	1 VS Range	2 VS Model	2VS Sill	2 VS Range
Cu 5m Composites	0.035	SPH	0.039	42	EXP	0.08800	200
Mo 5m Composites	0.0002	SPH	0.0005	28.3	SPH	0.00104	149.1

e) Block Model Parameters

Block Model	Min	Max	Size
Northing (local co-ordinates)	10,250	11,750	15
Easting (local co-ordinates)	9,000	11,750	25
Elevation (m)	1,000	3,500	20

f) Estimation Methodology - Ordinary Kriging

Description		Run 1		Run 2	
		Cu	Mo	Cu	Mo
Min samples to estimate a block		3	3	3	3
Max samples to estimate a block		15	15	30	30
Discretization (x,y,z)		5x3x4	5x3x4	5x3x4	5x3x4
High grade transition value (%)		2	0.3	2	0.3
High grade range	**East (m)**	100	100	300	300
	North (m)	35	35	100	100
	Elevation (m)	100	100	300	300
Search Radii (m)	**East (m)**	200	200	600	600
	North (m)	70	70	200	200
	Elevation (m)	200	200	600	600
High grade outlier capping (%)		6	0.3	6	0.3
Maximum samples per drill hole		10	10	10	10

g) Resource Category Parameters

Indicated Mineral Resource
• Portion of block must be contained within the interpreted solid • Block must be in Kriging Pass 1 • Block must be estimated on at least 2 drill holes • Anisotropic average distance of samples used to estimate the block must be less or equal to 150 metres
Inferred Mineral Resource
• Portion of block must be contained within the interpreted solid • Portion of block must not be Indicated • Anisotropic average distance of samples used to estimate the block must be less than or equal to 400 metres