

METMINCO RECEIVES APPROVAL TO COMMENCE UNDERGROUND DEVELOPMENT AT MIRAFLORES

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) is pleased to announce that it has received approval from the Corporacion Autonoma Del Risaralda (CARDER), the environmental agency in the Department of Risaralda, Colombia, to construct up to 2,000 metres of underground development under the Company’s existing Plan De Manejo Ambiental (PMA – Resolution 562 of 21 October 1997 and renewed under Resolution 1619 on 23 June 2009) covering the Miraflores licence which is an exploitation licence. The Company has been working with the CARDER on this resolution since March 2017.

The exploration development approved by CARDER will allow the Company to expose the previously defined ore zones on multiple levels and complete infill diamond drilling for stope definition ahead of a final decision to construct the processing facilities and supporting infrastructure. The development to be undertaken will include providing access to the underground via a decline, development of a ventilation system for the mine, cross cutting and on reef driving on multiple levels.

The Company will also assess the possibility of trucking ore from the mine to a processing facility nearby to gain large scale bulk processing information ahead of a decision to construct the processing facilities at Miraflores.

The approval from the CARDER allows for the discharge of water from the underground development and development of waste and ore dumps on surface.

The Company is on track to finalise the Miraflores feasibility study during the 3rd quarter 2017.

A summary of the Environmental Permit follows;

SUMMARY OF ENVIRONMENTAL PERMITS RESOLUTION 1505 OF SEPTEMBER 7, 2017 APPROVED PERMITS:

- Permits discharge of non-domestic wastewater from mining title 010-87M, with validity of 5 years
- Approval of non-domestic wastewater treatment system designs, for this permit it is necessary to have environmental obligations and semi-annual reports, as well as to submit laboratory analysis of water samples from the Quebrada Aguas Claras.
- Permit for atmospheric emissions for fixed, punctual or diffuse sources, for the extraction of 50,000 m3 of waste material.
- Stacking and disposal of waste materials from the construction of the exploration tunnel and the transportation of material resulting from the construction, this permit has a validity of 5 years from the notification of the Resolution.
- Permit to occupy the channel
- Approval of plans, designs and construction and operation for the construction of the access road to the tunnel.
- Authorization for the disposal of surplus material from excavations or excavations resulting from road and tunnel improvement covering an total area of 10,400 m2 and a total volume of 68,000 m3).
- Approval of Environmental Management Plan.
- Approval of contingency plan and preventive and emergency mechanisms for contingency care for liquid fuels, gasoline, ACPM, Bentonite.



- Miraflores Compañía Minera must submit an Environmental Impact Study aimed at obtaining an Environmental License for the exploitation phase of the 010-87M title (Miraflores licence).
- Miraflores Compañía Minera S.A.S, must pay to CARDER the sum Col\$ 2,339,000 (approximately US\$780.00) annually during the validity of the permit or Resolution 1505.

This announcement contains inside information as stipulated under Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

A handwritten signature in black ink, appearing to be 'William Howe', written over a series of horizontal lines.

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