ASX ANNOUNCEMENT 31 July 2013

QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

3 MONTHS TO 30 JUNE 2013

HIGHLIGHTS

Los Calatos Project – Peru

- Peruvian Government expands Project of National Interest designation from 2,800 ha to 12,700 ha to accommodate surface infrastructure required for development.
- Selection and preparation of geo-metallurgical samples for metallurgical testwork to be conducted during Pre-Feasibility has been completed.
- Planning of Pre-Feasibility metallurgical testwork program inclusive of grinding and flotation test work, as well as the use of sea water, in progress.

Mollacas Project - Chile

- Metallurgical testwork at Feasibility Study level in progress.
- Results received to-date have not demonstrated any negative issues relating to the leaching of both oxide and supergene ore.

Corporate

- Cash position as at 30 June 2013 was approximately A$12.6 million (US$11.5 million).
- Restructure of the Group and other corporate initiatives have resulted in a considerable reduction in expenditure.
- Company in negotiations with respect to securing funding for the development of the Los Calatos and Mollacas projects.

Mr William Howe, Managing Director commented:

"The June quarter saw further significant developments at the Company's 100% owned Los Calatos Project, with the Peruvian government increasing the area designated as Project of National Interest to 12,700 ha. This demonstrates significant backing by the Peruvian government and further de-risks the project.

The Company continues to engage with potential strategic partners regarding the development of Los Calatos, as well as advancing additional optimisation scenarios for the project, which the Company expects to release to the market in the third quarter.

At the Mollacas Project the column leach testwork is advancing favourably with copper recovery and acid consumption indicators all pointing to a positive outcome for the eventual development of the project."

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KEY RESULTS

Los Calatos Project

Project of National Interest

The Company announced on 29 July 2013 that the Peruvian Government had approved an increase in the area that Metminco's wholly owned subsidiary, Minera Hampton Peru SAC, may purchase under the Project of National Interest designation, from 2,800 ha to up to 12,700 ha to accommodate the surface infrastructure required to exploit the 100% owned Los Calatos porphyry copper – molybdenum deposit. The surface infrastructure required for the proposed mine includes the open pit and underground workings, waste and ore stockpiles, plant, mine and administration structures and a tailings dam (Figures 1 – 4).

Under **Ministerial Resolution No. 263-2013-MEM/DM** the modification of RM no. 274-2011-MEM of 20/06/2011 for the expansion of the area of national interest, in the area of "Mining Project of Copper and Molybdenum - Los Calatos" which included 3 concessions covering an area of 2,800 ha (named NELSON 1-900, ALPHA 1-900 and GAMMA 1-1000, located in the Torata district, province of Mariscal Nieto, department of Moquegua of the company Minera CN SAC (today named Minera Hampton Peru SAC)), was approved to include mineral rights: NICKY 1, 2, 3, 4, 6, 7, 8, 9, 10 CELESTE 1, 2, 3 & MARY 1, increasing the area covered by the Ministerial Decree to 12,700 ha.

The Project of National Interest designation allows Minera Hampton Peru SAC to acquire surface title to the Los Calatos Project tenements by direct purchase from the Peruvian government, as opposed to the general rule whereby State-owned property must be acquired through public auction. This exceptional designation only applies in certain circumstances where the project's feasibility and economic benefit for the country can be demonstrated to the Peruvian government.

Figure 1: Los Calatos Project locality map.

Figure 2: Los Calatos Project: Location of Los Calatos tenements in southern Peru.

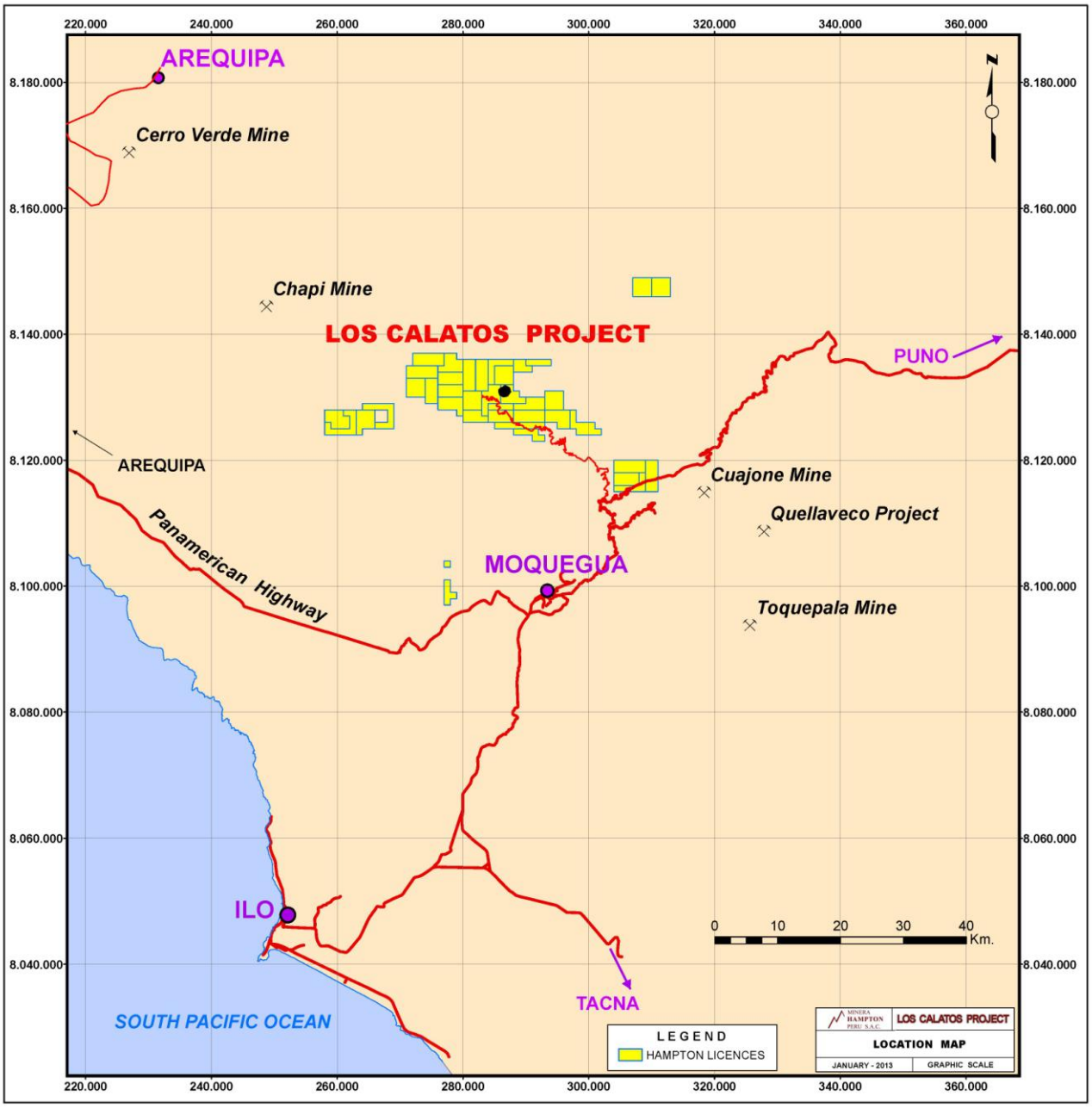
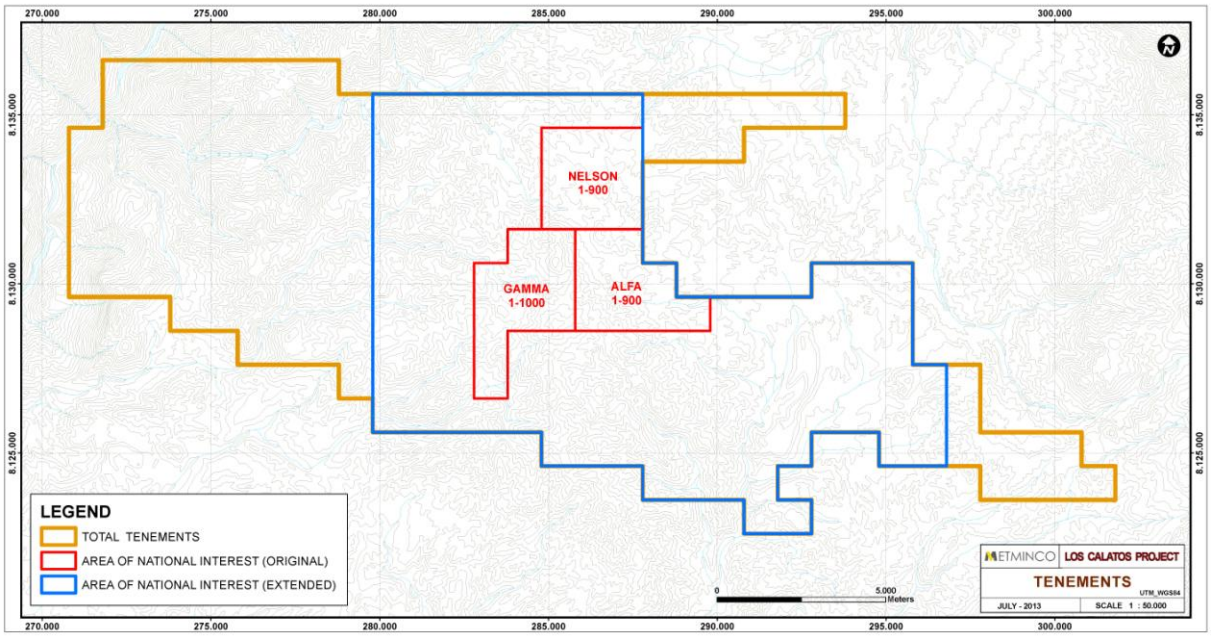
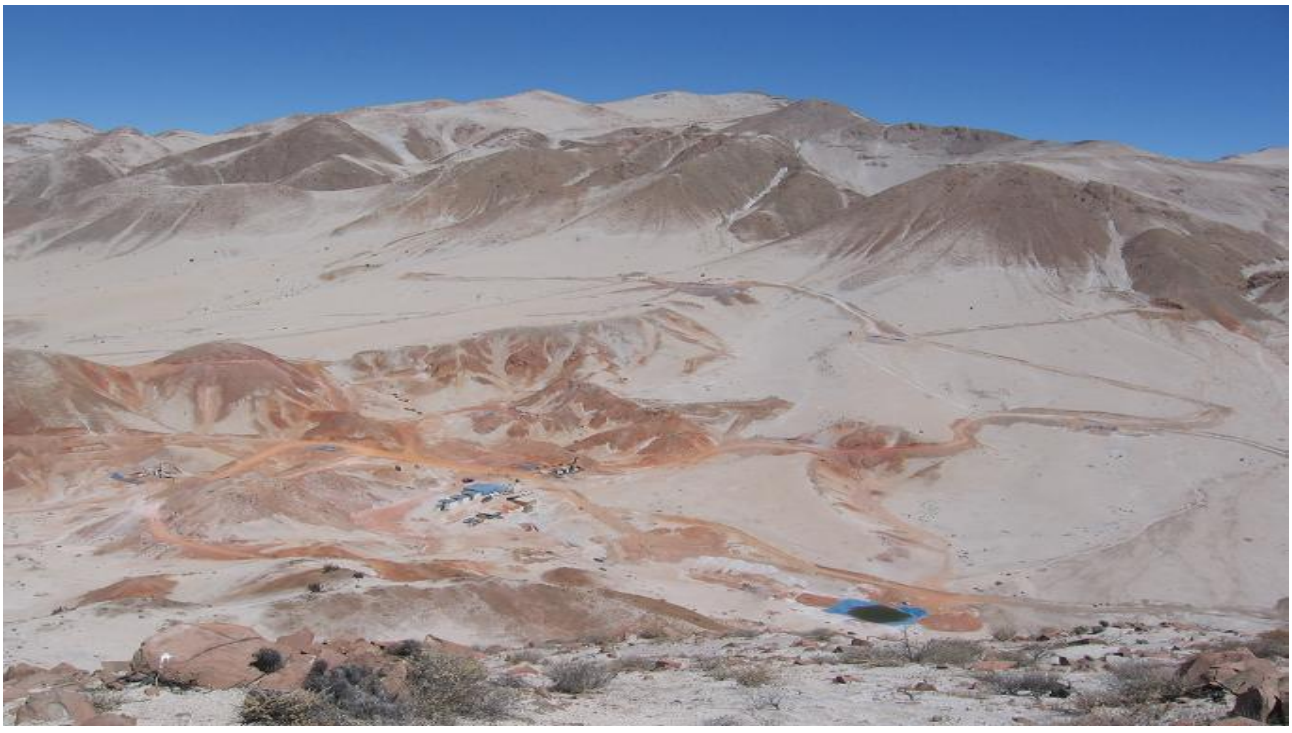


Figure 3: Los Calatos Project tenement map.



Note: Tenement map has been amended since release of 29 July 2013.

Figure 4: Los Calatos Project: Main high grade copper hydrothermal breccia exposure (red) with diamond drill rig and exploration camp (view to the south west).



Los Calatos Scoping Study

During the quarter the Company made considerable progress in further optimising potential development scenarios for the Los Calatos Project. This work has focussed on extending the life of the open pit and reducing the initial capital outlay with the objective of improving on the economic outcome as reported for the Scoping Study announced on 4 March 2013.

The Company expects to update the market on this work in the next quarter.

Multi-Element Analysis: Summary of results

Results from a program to selectively analyse Los Calatos drill hole data for a suite of multi-elements, initiated in February 2013, were received and collated during the quarter.

The program comprised the selection of one drill hole through the centre of the deposit, which was analysed every metre, and several surrounding drill holes, where one metre samples were composited over a 15 metre interval. The samples were then submitted for ICP multi-element analysis.

In total, 3,235 samples were analysed. This included 1,283 one-metre samples from drill hole CD-57, and 1,952 fifteen-metre composite samples that were sourced from 29 drill holes over 200 metre spaced sections along the deposit, representing 33,113 metres of drilling.

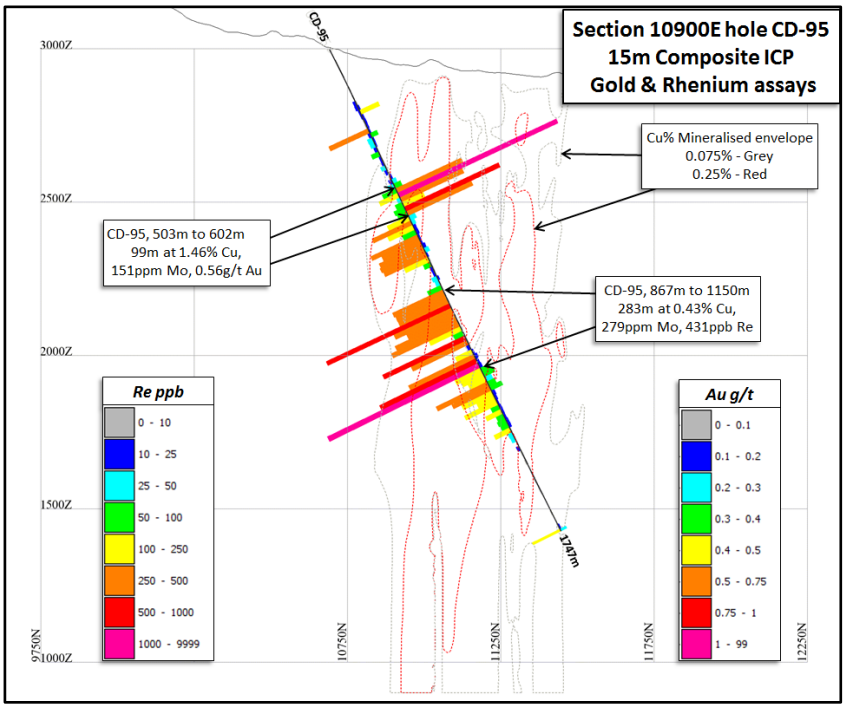
The results of the ICP analysis were subsequently used to define 9 geo-metallurgical units, and to select the drill hole intercepts to be used for the Phase II metallurgical testwork. Table 1 below summarises the more significant rhenium, gold and silver intercepts.

Table 1: Selected intersections used in ICP analysis.

BHID	From (m)	To (m)	Length (m)	Ag (ppm)	Au (ppm)	Cu (%)	Mo (%)	Re (ppm)
CD-31	926	976	50	5.0	0.026	1.42	0.194	**3.59**
CD-34	700	735	35	0.7	0.008	0.046	0.014	1.69
CD-47	949	1334	385	**7.6**	0.017	0.930	0.009	0.03
CD-50	419	470	51	2.1	0.011	0.546	0.078	0.95
CD-57	763	774	11	2.4	0.026	0.641	0.217	1.43
CD-57	879	968	89	4.0	0.035	0.506	0.081	0.87
CD-61	989	1074	85	2.5	0.018	0.728	0.150	1.66
CD-95	503	602	99	3.5	**0.560**	1.455	0.015	0.08

The gold intersection in CD-95 (99 metres at 0.56g/t Au including 17 metres @ 1.14g/t Au) (Figure 5) is significant as it occurs on the south-western margin of the main mineralised porphyry in an area that requires follow up drilling.

Figure 5: Drill hole CD-95.



Phase II Metallurgical Testwork - Composite Selection

The selection of composites for the Phase II metallurgical testwork largely focused on the material which will be mined during the open pit phase at Los Calatos. In total, 9 geo-metallurgical units were selected on the basis of criteria that may impact on the copper extraction process such as low grade and high grade copper equivalent zones, supergene and primary material, lithology and alteration type, and the presence of deleterious elements (Table 2).

Table 2: Composite selection criteria for metallurgical testwork.

Met ID	Criteria	Description
1	Supergene - PS - >=0.12% CuEq	Supergene Porphyry Stock
2	Supergene - (DC+MIX+PP) - >=0.12% CuEq	Supergene Diatreme, Mix Zone or Precursor Pluton
3	Primary - DC - As <35ppm - >=0.12% CuEq	Low grade Arsenic, Diatreme Complex
4	Primary - DC - As >=35ppm - >=0.12% CuEq	High grade Arsenic, Diatreme Complex
5	Primary - (PS) - QS - >=0.12% CuEq < 0.5%	Low grade Porphyry Stock, Quartz-Sericite Alteration
6	Primary - (MIX+PP) - QS - >=0.12% CuEq < 0.5%	Low grade Mix and Precursor Pluton, Quartz-Sericite Alteration
7	Primary - PS - QS - CuEq >= 0.5%	High grade Porphyry Stock, Quartz-Sericite Alteration
8	Primary - (MIX+PP) - QS - CuEq >= 0.5%	High grade Mix or Precursor Pluton, Quartz-Sericite Alteration
9	Primary - (PS+MIX+PP) - K - CuEq >=0.12%	Potassic Alteration

The first criterion was to differentiate between supergene and primary material. Approximately 30% of the mineralised material (>=0.12% CuEq) in the open pit is in the supergene zone, and the majority of this material has undergone Quartz-Sericite (QS) alteration. Hence the latter parameter was not used as a selection criterion.

As the remaining material comprises primary material, it was important to determine the presence of any deleterious elements.

The results from metallurgical testwork conducted on samples from Los Calatos during 2009 were checked against general tolerance levels of a number of smelters to deleterious elements such as arsenic (As), antimony (Sb) and mercury (Hg), and confirmed to have average concentrations below the minimum tolerance levels for these smelters. However, the proposed Phase II metallurgical testwork will also address

the issue of deleterious elements, and more specifically As concentrations associated with the diatreme zone at Los Calatos.

The primary material has been interpreted as displaying Quartz-Sericite (QS) and Potassic (K) alteration.

The tonnage and grade estimates for the 9 geo-metallurgical units based on the latest block model for Los Calatos are summarised in Table 3 below.

Table 3: Tonnage and grade for selected metallurgical units – Los Calatos Block Model.

Met ID	Tonnes	Cu %	Mo %	CuEq %	% Tonnes
1	71,427,376	0.381	0.0138	0.440	15.3
2	43,087,420	0.327	0.0072	0.357	9.2
3	40,908,719	0.233	0.0096	0.274	8.8
4	48,060,817	0.290	0.0118	0.340	10.3
5	96,985,843	0.194	0.0137	0.252	20.8
6	30,769,035	0.208	0.0101	0.251	6.6
7	39,767,969	0.694	0.0588	0.945	8.5
8	35,795,355	0.707	0.0728	1.018	7.7
9	59,293,249	0.465	0.0636	0.736	12.7
Total	**466,095,783**	**0.366**	**0.027**	**0.481**	**100.0**

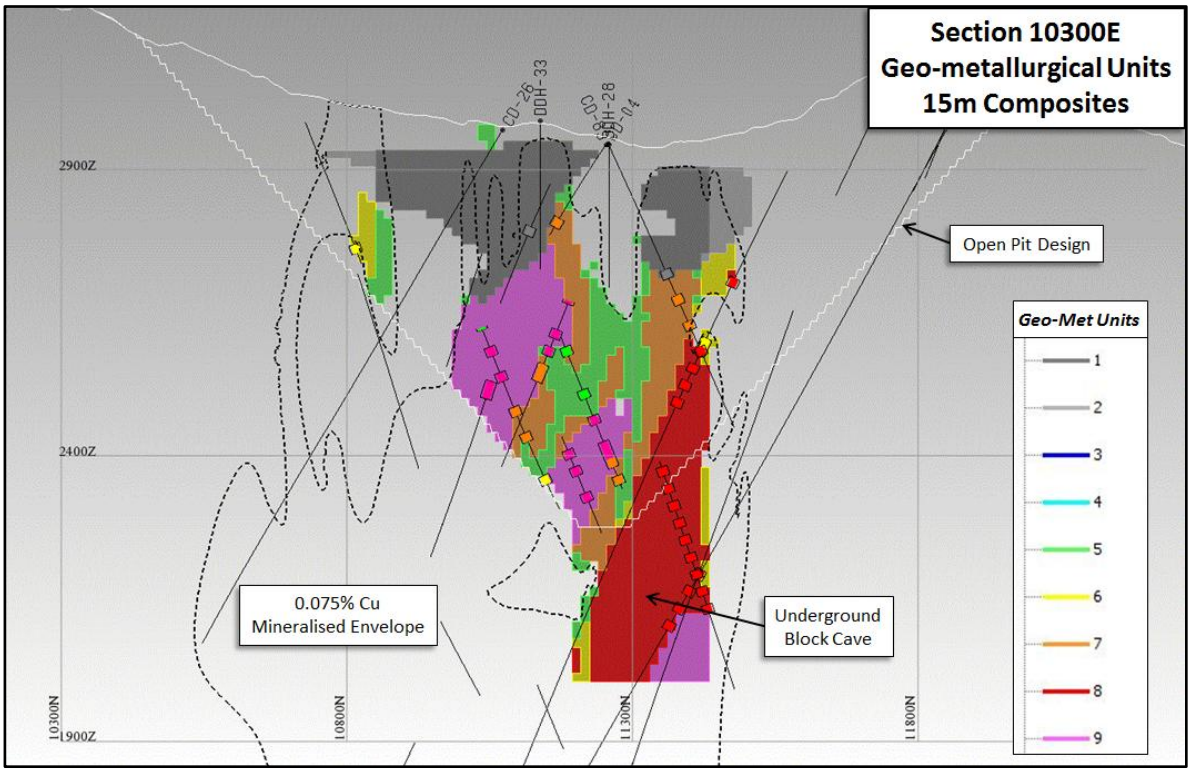
Note: Refer to Table 2 above for the descriptions of the metallurgical units (Met ID).

Core sample selection (Figure 6)

Once the 9 geo-metallurgical units had been differentiated, the next step was to select drill core material that is representative of each unit. Based on the results of the ICP multi-element analysis, each fifteen-metre composite was then classified in accordance with the criteria summarised in Table 2 above.

The final step in the process was to select a spread of composites across each geo-metallurgical unit such that a metallurgical sample of 800 - 900kg could be gathered for each geo-metallurgical unit at an average grade similar to that of the Los Calatos Block Model.

Figure 6: Section 10300E - Geo-metallurgical units and selected samples for metallurgical testwork.



Proposed metallurgical testwork program

A preliminary metallurgical testwork program was conducted on eleven sulphide composites (derived from drill core samples) in 2009 at the SGS Lakefield Laboratories in Santiago. The results provided a provisional indication of the expected recoveries and likely concentrate grades for a commercial operation.

A second, more detailed, metallurgical testwork program has been planned using the 9 geo-metallurgical samples described above. This program will include both grinding and flotation testwork, and will confirm the relevant test metallurgical parameters for the planned Pre-Feasibility Study. All of the proposed metallurgical tests will be carried out using sea water, as this will be the fluid medium of choice for the extraction process in the main commercial plant.

The scope of work for the proposed metallurgical testing will comprise the following key phases:

- Flowsheet development program – Grinding Circuit.
- Flowsheet development program – Flotation Circuit for sulphide ores.
- Metallurgical mapping program – Grinding Circuit.
- Metallurgical mapping program – Flotation Circuit.
- Pilot plant testwork in order to generate sufficient bulk copper-molybdenum concentrate for copper-molybdenum separation testwork; and
- Environmental characterisation program of metallurgical products.

Mollacas Copper Leach Project

6-metre column testwork program (Figure 7 and 8)

The metallurgical testwork now underway at the SGS laboratory in Santiago, Chile, has been designed to evaluate the Mollacas copper leach process at a Feasibility Study level. This testwork will provide the final information required for the completion of the design phase of the project, as well as the operating information for the submission of the requisite Environmental Impact Assessment.

The mineralisation being tested consists of oxide ore (mostly malachite with traces of chrysocolla and brochantite) and supergene ore (mainly chalcocite and covellite with minor chalcopyrite and significant pyrite).

The proposed Mollacas copper recovery process will consist of primary, secondary and tertiary crushing, agglomeration, heap leach (LX), solvent extraction (SX) and electrowinning (EW), producing copper cathode as an end-product.

The primary objectives of this phase of metallurgical testing are to:

- Ensure that there is sufficient gaseous porosity at an optimal temperature for good bacterial activity.
- Develop an acid control philosophy to minimise impurity levels.
- Determine final copper recoveries based on factors such as leaching time for varying particle sizes (e.g.19, 16 and 12 mm), agglomeration, acid curing at varying dosages, irrigation rates, the addition of air and it's possible effect on leaching rates, and column height; and
- Analyse the sensitivity of copper recoveries, and net acid consumption rates, to mineralisation and alteration types.

At present 18 columns representing 5 composites (geo-metallurgical units) are being tested under different operating conditions, including column height and particle size of ore. Although this activity is estimated to be completed in February 2014, sufficient information will be available during Q3 2013 to provide reliable estimates for design purposes.

As at the date of reporting, the columns had been under leach for between 3 and 17 days (25 – 30 days of operation including the resting phase before irrigation). The columns are performing well, with acid soluble copper extraction rates ahead of expectations compared to the earlier testwork. However, the secondary sulphide ore (including chalcocite and covellite) will require the production of ferric iron (Fe^{3+}), which is expected to develop within the leach system after 90 to 120 days, at which time acid consumption should reduce considerably.

Figure 7: Mollacas 6 metre columns at the SGS laboratory in Santiago, Chile.

Figure 8: Checking the flow rates at the top of the 6 metre columns, SGS laboratory, Santiago, Chile.

CORPORATE

Annual General Meeting of Shareholders

The Company's Annual General Meeting of shareholders for the year ended 31 December 2012 was held at 54 McLaren Street, North Sydney NSW, 2060 on Thursday, 30 May 2013. All resolutions put before the Annual General Meeting were approved by shareholders, and the results can be found on the Company's website.

Corporate Restructure

During the quarter Metminco undertook a detailed review of its operations with a view to conserving cash while at the same time remaining focussed on the advancement of the Company's 100% owned Los Calatos copper-molybdenum project in southern Peru, and the Mollacas copper leach project in Chile.

Following the restructuring of Metminco and closure of its office in Chile, the Company's management team, including its Managing Director, will be centralised in Sydney. However, technical and administrative activities for South America have been consolidated into a single base located in Lima, Peru.

This restructuring will generate considerable cost savings, whilst maintaining a strong regional presence in South America.

Further, the Company has implemented a number of other cost reduction strategies at the corporate level which, together with the aforementioned and its current cash reserves of A$12.6 million, should be sufficient to enable the Company to fund its current activities well into 2015 without any capital raisings.

Resignation and appointment of new Chairman

Mr Antonio Ortuzar Vicũna, who has served as Chairman of Metminco since 16 March 2011, elected to step down as Chairman, effective 30 June 2013, due to requirements relating to his partnership in the law firm Baker & McKenzie. The Board and Management extend their thanks to Mr Ortuzar for his considerable contribution to the Company whilst serving as Chairman.

Subsequently, Mr Timothy Read, currently a non-executive director of the Company, was elected Chairman, effective 30 June 2013. Mr Read has substantial experience in both the mining and metals sector, and in investment banking.

The Board decided to use this opportunity to reduce the number of board members as a cost cutting measure and to re-assess the long term capabilities required of the Board given the stage of development of the Company.

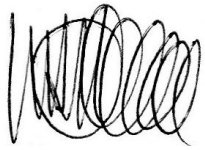
Cash Position and Funding

Metminco's cash position as at 30 June 2013 was A$12.6 million (US$11.5 million).

Expenditure for the June 2013 quarter included oceanographic, geotechnical and scoping study work at Los Calatos, which are now drawing to a close, and further metallurgical test work at the Company's Mollacas Project.

The impact of the above mentioned restructuring on group expenditure will not be fully realised until the fourth quarter of 2013, due to costs associated with office closure, and associated staff redundancies.

The Company is on target to achieve its objective of having sufficient cash reserves to last well into 2015 without raising capital. However, the Company is continuing to progress negotiations with a number of parties with respect to securing funding for the development of the Los Calatos and Mollacas projects.



William Howe

Managing Director

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 an open pittable mineral resource of 304 million tonnes at 0.44% CuEq at a cut-off grade of 0.15% CuEq to a vertical depth of 500 metres below surface and an underground bulk mining mineral resource of 1,058 million tonnes at 0.61% CuEq at a cut-off grade of 0.35% CuEq commencing at an elevation of 2,500 metres (approximately 500 metres below surface).

The Chilean assets include the Mollacas Project with a mineral resource of 34.3 million tonnes consisting of a measured resource of 19.4 million tonnes at 0.45% Cu and 0.16g/t Au, an indicated resource of 9.4 million tonnes at 0.34% Cu and 0.16g/t Au, and an inferred resource of 5.5 million tonnes at 0.26% Cu and 0.15g/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 a number of early stage exploration projects where initial exploration activities have identified anomalous copper, molybdenum and gold 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 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 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.

NCL Ingeniería y Construcción Ltda

NCL was commissioned by Minera Hampton Peru SAC ("Hampton"), a wholly owned subsidiary of Metminco, to develop a conceptual mining study for the Los Calatos copper - molybdenum project.

In accordance with Hampton's requirements, the work developed by NCL consisted of analysing different alternatives for the exploitation of the deposit and to carry out, at a conceptual level, the design and mine planning of the selected option. Moreover, NCL calculated the operating costs and capital cost of the mining works, in addition to the capital costs for the process plant and infrastructure, using an estimation model of CAPEX and OPEX for flotation plants.

The study was based on the block model and economic information provided by Hampton, as well as NCL data from similar projects in the region. In the calculation of the economic resources, measured, indicated and inferred mineral resources were considered, with 23% of mineralised material reporting into the mining plan having been derived from inferred mineral resources.

NCL certifies that the results reported by Hampton correspond to those obtained by NCL in the conduct of the study.

The reader is cautioned that the mining study, which is an integral part of this report, is of a preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorised as mineral reserves. There is no certainty that the preliminary economic assessment will be realised. No mineral reserves have been estimated.

NCL's experience from a consultancy perspective has included block cave mining projects in Chile, Colombia, Papua New Guinea and Australia. The nature of the work conducted by them includes aspects such as mine design and planning, mining methods, material handling and infrastructure and has been conducted at levels varying from Conceptual Studies, through Scoping Studies to Pre-Feasibility Studies, and where required, detailed engineering design. Recent work undertaken by NCL has involved mining operations such as La Colosa (AngloGold Ashanti Colombia S.A.), Golpu (Newcest Mining Ltd.), El Teniente (Codelco) and Rosario Oeste (Cía Minera Doña de Collahuasi SCM), with historical involvement in projects the size of Chuquicamata (Codelco).

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.

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ABBREVIATED GLOSSARY

Assay
An analysis to determine the presence, absence or quantity of one or more chemical components.

Base Metal
A metal, such as copper, lead, nickel, zinc or cobalt.

Block caving
A method of underground mining in which large blocks of ore are undercut, causing the ore to break or cave under its own weight enabling extraction of the ore at a relatively low cost.

Breccia
Rock fragmented into angular components.

Cash operating costs / lb copper (net of credits)
Cash operating costs include a 2% net smelter return payable to a third party less by-product credits received from the sale of molybdenum, gold, silver and rhenium, divided by the copper produced over the defined period.

CIM N1 43-101 Code
The Canadian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Circuit
A processing facility for removing valuable minerals from the ore so that it can be processed and sold.

Copper (Cu)
A ductile, malleable base metal with a myriad of uses in construction (piping, wire) and electronics due to its high electrical and thermal conductivity and good resistance to corrosion.

Copper equivalent (CuEq)
Copper equivalent is based on the recovered value of the non-copper by-products (gold and molybdenum) relative to the recovered value of copper. For example, at a long term copper price of US$2.75/lb with Cu recovery of 87% and a molybdenum price of US$15.00/lb with recovery of 68%, 1 pound of molybdenum is equivalent to 4.2633 pounds of copper (Cu:Mo ratio of 1:4.2633).

Diamond drilling / drill hole
A method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.

Diatreme
A diatreme is a breccia-filled volcanic pipe that was formed by a gaseous explosion. Diatremes often breach the surface and produce a tuff cone, a filled relatively shallow crater known as a Maar, or other volcanic pipes.

Drill core
The long cylindrical piece of rock brought to surface by diamond drilling.

Environmental impact study (EIS)
A written report, compiled prior to a production decision that examines the effects proposed mining activities will have on the natural surroundings.

Exploration
Prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Feasibility Study
A feasibility study is an evaluation of a mineral resource to determine whether it can be mined effectively and profitably. It includes the detailed study of reserve estimation, mining methods evaluation, processing technique analysis, capital and operating cost determination and the process effect on the environment and community. This detailed study forms the basis for capital estimation, and provides budget figures for the development of the project. It requires a significant amount of formal engineering work and an accuracy within 10 to 15%.

Geo-domain
Homogeneous geological domains within a deposit identified on the basis of spatial continuity of grades and geological features such as lithology, mineralogy and alteration.

Gold (Au)

A heavy, soft, ductile, malleable precious metal used in jewellery, dentistry, electronics and as an investment.

Grade
The amount of valuable metal in each tonne or ore, expressed as grams per tonne for precious metals and percent in the case of copper and parts per million (ppm) in the case of molybdenum. *Cut-off grade* – is the minimum metal grade at which a tonne of rock can be processed on an economic basis. *Recovered grade* – is the actual metal grade realised by the metallurgical process and treatment of ore, based on actual experience or laboratory testing.

ICP
Inductively Coupled Plasma. Analytical technique used for the detection of trace elements in soils.

Isograde
Line of equal grade, often used to delineate a material change in grade across a geological boundary.

Indicated Mineral Resource
An 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Mineral Resource
An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

JORC Code
The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

Los Calatos Mining Study (the "Study")
The Mining Study completed by NCL has been conducted at a scoping level with a level of accuracy of ±35%.

Leachable (soluble) copper
Total acid and cyanide soluble copper.

Leaching
A chemical process for the extraction of valuable minerals from ore.

Measured Mineral Resource
A 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

Metallurgy
The science and technology of extraction of metals from their ores and the refining of metals.

Mineralisation
The concentration of metals and their chemical compounds within a body of rock.

Mineralised envelope
The boundary constraining the extent of the identified mineralisation, as delineated by a nominated grade or cut-off.

Mineral Resource
A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

Molybdenum (Mo)
Molybdenum is commonly a by-product of copper mining. It has the ability to withstand extreme temperatures and has a high resistance to corrosion. Molybdenum is widely used as an alloy agent in stainless steel. It is also used to manufacture aircraft parts and industrial motors.

NPV
Net present value is the difference between the present value of a future cash flow from an investment and the amount of investment, where the present value of the expected cash flow is computed by discounting the cash flow at the required rate of return.

Open Pit
A mine that is entirely on surface. Also referred to as open-cut or open-cast mine.

Ore
Rock containing mineral(s) or metals that can be economically extracted to produce a profit.

Ordinary Kriging
A geostatistical approach to estimating grades. Instead of weighting nearby data points by some power of their inverted distance, ordinary kriging relies on the spatial correlation structure of the data to determine the weighting values. This is a more rigorous approach to modelling, as correlation between data points determines the estimated value at an unsampled point.

Orebody
Generally, a solid and fairly continuous mass of ore, which may include low-grade ore and waste as well as pay ore, but is individualised by form or character from adjoining country rock.

Oz
Troy ounce (31.1035 grams).

Pit optimisation study
Pit optimisation studies are used for open pit mine planning to determine those pit limits and mining sequences that yield maximum financial returns based on defined technical parameters, operating costs and commodity prices.

Porphyry
A rock consisting of larger crystals embedded in a more compact finer grained groundmass.

Porphyry copper deposit
A copper deposit which is associated with porphyritic intrusive rocks and the fluids that accompany them during the transition and cooling from magma to rock. Porphyry copper deposits are typically mined by open-pit methods.

PPM
Parts per million, also grams/tonne

Pre-feasibility study
A preliminary assessment of the technical and economic viability of a proposed project. Alternative approaches to various elements of the project are compared, and the most suitable alternative for each element is recommended for further analysis. Costs of development and operations are estimated. Anticipated benefits are assessed such that some preliminary economic criteria for evaluation can be calculated. Preliminary feasibility studies are completed by a small group of multi-disciplined technical individuals and have an accuracy within 20 to 30%.

Recovery
A term used in process metallurgy to indicate the proportion of valuable material obtained in the processing of an ore. It is generally stated as a percentage of valuable metal in the ore that is recovered compared to the total valuable metal present in the ore.

Reverse circulation drilling (RC drilling)
Percussion drilling method using a rotating bit and high pressure air to sample sub-surface material through the recovery of broken rock fragments ('rock chips').

Solvent extraction and electrowinning (SX-EW)
A metallurgical technique, so far applied only to copper ores, in which metal is dissolved from the rock by organic solvents and recovered from solution by electrolysis.

Strip ratio
The ratio of tonnes removed as waste relative to the number of tonnes of ore removed from an open-pit mine.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Metminco Limited

ABN	Quarter ended ("current quarter")
43 119 759 349	30 June 2013

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date 3 months $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for:		
	(a) exploration and evaluation	(1,161)	(3,308)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,274)	(2,331)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	46	76
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Peruvian IGV (GST) recovery)	-	3,332
	Net Operating Cash Flows	**(2,389)**	**(2,231)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) other fixed assets	(170)	(379)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	**(170)**	**(379)**
1.13	Total operating and investing cash flows (carried forward)	(2,559)	(2,610)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(2,559)	(2,610)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
	Costs of issue	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (proceeds from equity swap)	-	-
	Net financing cash flows	**-**	-
	Net increase (decrease) in cash held	(2,559)	(2,610)
1.20	Cash at beginning of quarter/year to date	14,341	14,484
1.21	Exchange rate adjustments to item 1.20	793	701
1.22	**Cash at end of quarter**	**12,575**	**12,575**

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	232
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors for the period 01 Apr 13 – 31 Jun 13 for:
Directors' fees: $212,500
Directors' services and consulting fees: $19,313

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available
Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	1,800
4.2	Development	-
4.3	Production	-
4.4	Administration	1,200
	Total	**3,000**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	12,575	14,484
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	12,575	14,484

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter: (a) Increases through Issues (b) Decreases through returns of capital, buy backs, redemptions				
7.3	**+Ordinary securities**	1,749,543,023	1,749,543,023		
7.4	Changes during Quarter: (a) Increases through Issues (b) Decreases through returns of capital, buy backs, redemptions				
7.5	**+Convertible Debt securities** (*description)*				
7.6	Changes during quarter: (a) Increases through issues (b) Decreases through Securities matured, converted				

+ See chapter 19 for defined terms.

7.7	Options (description and conversion factor)	Unlisted: 14,250,000 14,250,000 2,000,000 2,000,000 2,500,000 2,500,000 2,000,000 2,000,000 250,000 250,000	Unlisted: 14,250,000 14,250,000 2,000,000 2,000,000 2,500,000 2,500,000 2,000,000 2,000,000 250,000 250,000	Exercise price A$ 0.44 A$ 0.525 A$ 0.44 A$ 0.525 A$ 0.215 A$ 0.260 A$ 0.175 A$ 0.210 A$ 0.075 A$ 0.089	Expiry date: 06 Dec 2013 06 Dec 2013 06 Dec 2013 06 Dec 2013 05 Dec 2014 05 Dec 2014 15 Jun 2015 15 Jun 2015 28 Jan 2016 28 Jan 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures(totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 31.07.2013

(Director/Company secretary)

Print name: Philip Killen

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

+ See chapter 19 for defined terms.

3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards:** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.