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HIGHLIGHTS

Los Calatos Project:

Optimisation work confirms robust project economics including:

- Production rates of 100,100 tonnes per annum of copper and 5,000 tonnes per annum of molybdenum in concentrate over a mine life of 34 years
- Life of mine cash operating cost of US$1.06/lb after by-product credits
- Open pit life of 14-years treating 362 million tonnes at 0.39% Cu and 0.026% Mo at a strip ratio of 3.36:1 (cut-off grade 0.15% CuEq)
- Underground mine life of 21 years treating 449 million tonnes at 0.56% Cu and 0.035% Mo (cut-off grade 0.35% CuEq)
- Total tonnes treated of 811 million tonnes at 0.48% copper and 0.03% molybdenum
- Life of mine metal production of 3.4 million tonnes copper; 169,000 tonnes molybdenum; 547,000 oz gold; 18.4 million oz silver and 405 tonnes rhenium
- Pre-production capital of US$1,320 million

Peruvian Government expands Project of National Interest designation:

- Metminco is able to acquire surface title to the Los Calatos Project tenements by direct purchase from the Peruvian government
- Area increased from 2,800 hectares to 12,700 hectares to accommodate surface infrastructure required for development of Los Calatos
- Designation only applies in certain circumstances where a project's feasibility and economic benefit for the country can be demonstrated to the Peruvian government

Planning of Pre-Feasibility Study

- Selection and preparation of geo-metallurgical samples for metallurgical testwork for pre-feasibility study completed
- Planning of pre-feasibility metallurgical testwork program inclusive of grinding and flotation test work, as well as the use of sea water, underway

Mollacas Project:

- Metallurgical testwork at feasibility study level in progress

Corporate:

- Cash position of A$12.6 million (US$11.5 million), as at 30 June 2013
- Restructuring of the Group together with other corporate initiatives have resulted in a considerable reduction in expenditure
- Company continues negotiations with respect to securing funding for the development of the 100% owned Los Calatos project
- Exploration write-off of A$31.7 million recorded following the Company's decision to focus on the Los Calatos and Mollacas projects

Executive Commentary:

William Howe, Managing Director commented:

"During the half year to June 2013, Metminco made significant progress in advancing Los Calatos and Mollacas closer to production whilst simultaneously restructuring its operations to conserve cash in this difficult economic climate.

At Los Calatos, robust results from the recently completed optimisation work together with the increase by the Peruvian government of the area designated as a Project of National Interest to facilitate development of Los Calatos, are major achievements and further de-risk the project.

Column leach testwork at Mollacas, which is scheduled for completion in the first quarter of 2014, is progressing favourably with copper recovery and acid consumption indicators all pointing to a positive outcome for the development of the project."

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of the consolidated group being Metminco Limited (Metminco or the Company) and its controlled entities (Consolidated Group or Metminco Group), for the half year ended 30 June 2013 and the Independent Review Report therein.

DIRECTORS

The following persons held the office of director during and since the half year ended 30 June 2013.

Antonio Ortuzar (resigned effective 30 June 2013)	Non Executive Chairman
Timothy Read (appointed Non-Executive Chairman effective 30 June 2013)	Non Executive Director
William Howe	Managing Director
Phillip Wing	Non Executive Director
Francisco Vergara-Irarrazaval	Non Executive Director
William Etheridge	Non Executive Director

COMPANY SECRETARY

Philip Killen was the Company Secretary for the half year ended 30 June 2013 and was in office at the date of this report.

OPERATING RESULTS

The loss of the Consolidated Group for the half year ended 30 June 2013 was $33,697,092 (2012 loss $7,783,091) after providing for income tax.

REVIEW OF OPERATIONS

Metminco is a dual ASX and AIM listed company with a portfolio of copper, molybdenum and gold projects located within well-constrained metallogenic belts that occur within the Andean Cordillera of Peru and Chile (Figure 1).

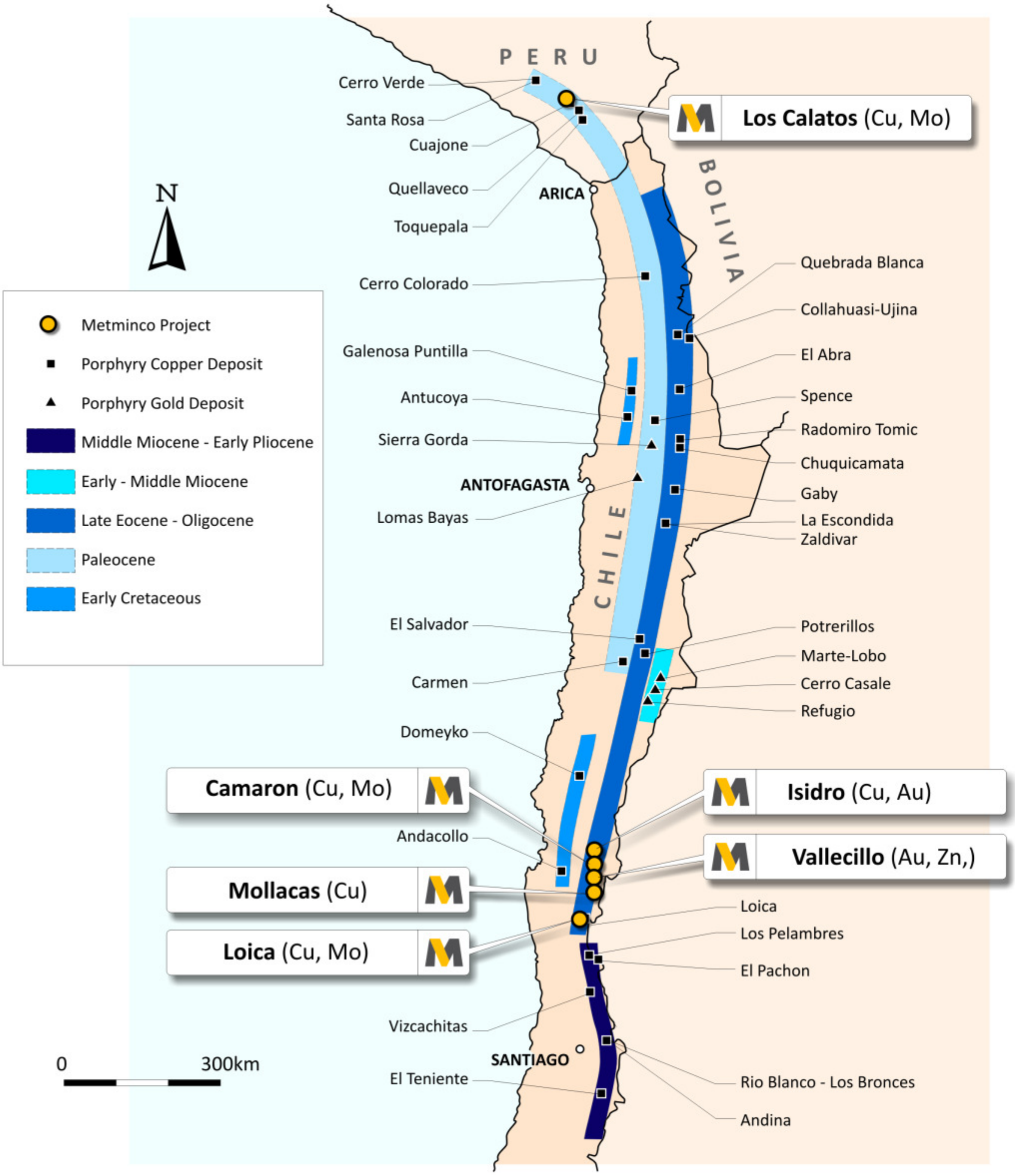
Metminco's premier project is the 100% owned Los Calatos copper-molybdenum porphyry deposit in southern Peru. On 12 August 2013 the Company announced the results of further optimisation work which confirmed the potential of Los Calatos as a long-life (+34 years), low cost (US$1.06/lb after by product credits), mining operation producing approximately 100,100 tonnes (220mm lbs) of copper in concentrate per annum.

The Company's other advanced project is the Mollacas copper leach project, located in Region IV, Chile containing a Measured and Indicated mineral resources of 15.5 million tonnes at a grade of 0.51% CuT (0.2% Cu cut-off). The current Phase 3 metallurgical testwork, aimed at confirming copper recoveries and assisting with the design of the plant, is scheduled for completion during the first quarter of 2014. Preliminary results from the metallurgical testwork are consistent with prior recovery and acid consumption projections, and confirm the potential of Mollacas to produce an estimated 8,000 tonnes of copper cathode per annum over a life of mine of approximately 7 years.

During the half year ended 30 June 2013, the Company restructured its operations to focus on the Los Calatos and Mollacas projects, and as such conducted minimal work on its Vallecillo, Loica and Isidro projects. Accordingly the Company has written down the carrying value of the Vallecillo ($19,915,844) and Loica ($6,789,655) projects, and written off the Isidro Project ($1,524,153) and its 50% interest in the San Lorenzo joint venture ($3,283,715), which also forms part of the Isidro Project. A further $155,083 has been written off on other lesser projects.

DIRECTORS' REPORT (Cont'd)

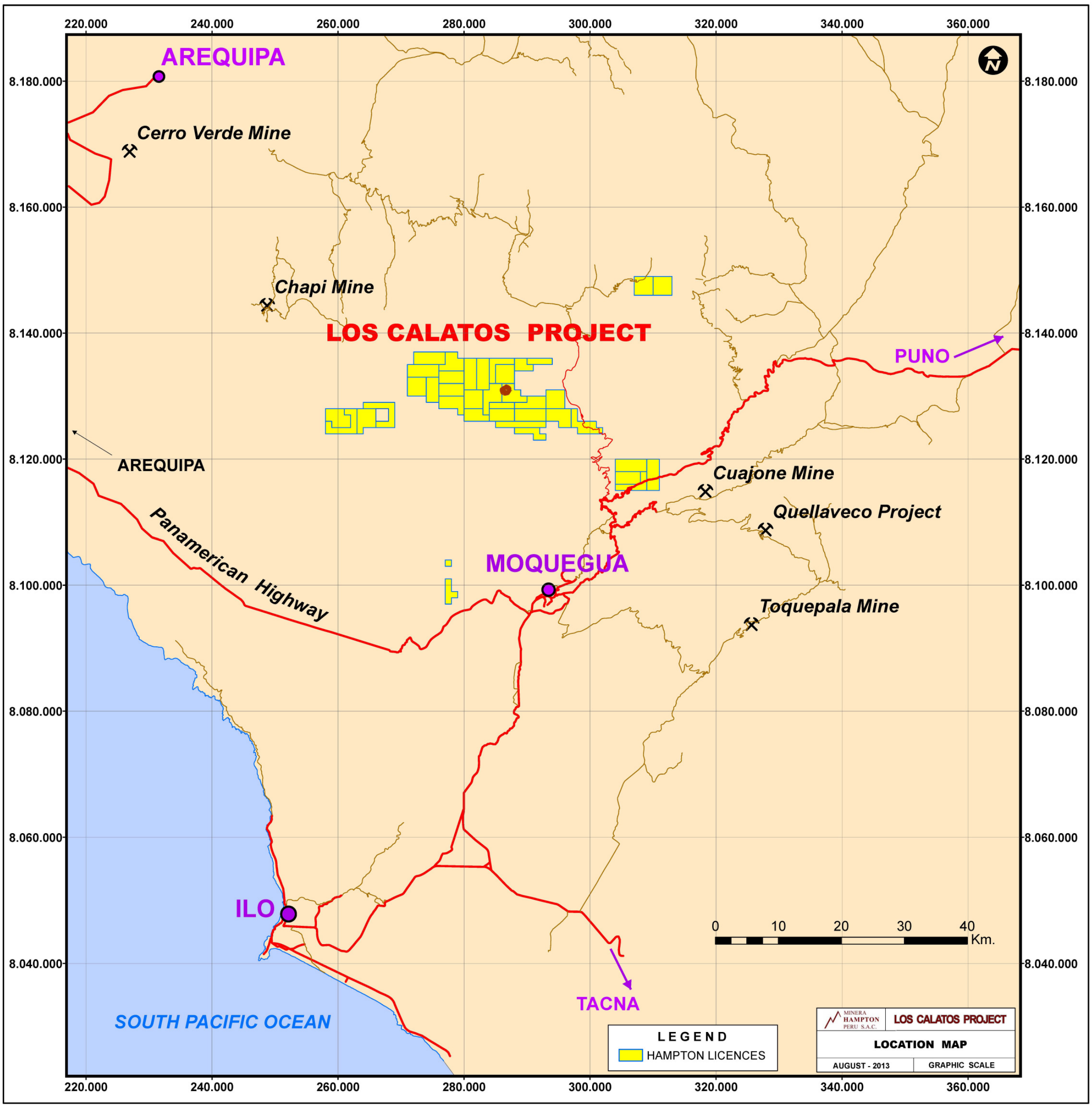
Figure 1: Locality of Metminco Projects



LOS CALATOS PROJECT

The Los Calatos Project, which covers an area of 224 square kilometres is located on state owned land approximately 80 kilometres to the south east of Arequipa and 33 kilometres northwest of Moquegua, and occurs at an altitude of approximately 2,900 metres above mean sea level (Figure 2).

Figure 2: Los Calatos Project locality map showing tenements



In March 2013 Metminco announced the results of an independent Scoping Study conducted by NCL Ingeniería y Construcción Ltda ("NCL"), which provided for a mining scenario involving an open pit with a life of 7-years, and a subsequent underground block cave operation with a life of 24-years, at an average life of mine production rate of 60ktpd.

The Scoping Study confirmed the potential of Los Calatos as a long-life (+31 years), low cost (US$1.15/lb)[1] mining operation producing approximately 83kt (184mm lbs) of copper in concentrate per annum.

[1] Based on updated long term consensus commodity prices of Cu: US$ 2.95/lb and Mo: US$ 12.78 /lb and applying Cu recovery of 87% and Mo recovery of 68%.

Further optimisation work undertaken by independent consultants RungePincockMinarco ("RPM"), which was completed in August 2013, resulted in a mining scenario comprising an open pit with a life of 14-years at a production rate of 75ktpd, and a subsequent underground block cave operation with a life of 21-years at a production rate of up to 70ktpd ("Optimised L3_Model").

The Optimised L3_Model confirmed the potential of Los Calatos as a long-life (+34 years), low cost (US$1.06/lb) [1] mining operation producing approximately 100kt (220mm lbs) of copper in concentrate per annum.

Optimised L3_Model

Open Pit Operation

Metminco conducted a series of pit optimisation runs using Whittle 4D Lerchs-Grossman software to determine the approximate shape of a near-optimal pit shell based on applied cut-off grade criteria and pit slopes, with the objective of deepening the open pit within acceptable pit slope angles and strip ratios. Table 1 below summarises the results of this work.

Table 1: Open pit key results

Subject	Units	Optimised L3_Model
Material treated		
Tonnes	Mt	362
Head grade	Cu(%)	0.39
Contained Cu	mm lbs	3,104
Total waste	Mt	1,217
Strip Ratio	Ratio	3.36:1
Pit Slopes	Degrees	41 to 47
Final Pit Depth	metres below surface	±700
Life of Pit	Years	14

RPM reviewed the results of the abovementioned pit optimisation work, and resultant mining schedule, and determined that the open pit could deliver a production rate of 75ktpd run-of-mine without any material issues.

A terrace mining method was adopted to allow for simultaneous access to multiple benches (up to 5 benches), and hence provide for flexibility in blending. Furthermore, provision was made for maintaining a minimum mining width of 100 metres on a 15 metre high bench.

The resultant open pit mine schedule represents a balance between the delivery of product specification, mining practicality and compliance with key constraints established for the project.

Underground Block Cave

As is the case for the optimised open pit mining schedule, RPM reviewed the production schedule developed as part of the Scoping Study for the underground block cave operation, and determined that a production rate of 70ktpd was achievable, without any material issues. In addition, RPM confirmed that the up-front capital expenditure, particularly pre-production underground development expenditure, could be reduced.

Based on the work completed by RPM, a total of 449 million tonnes was scheduled over the life of the underground block cave operation of 21-years, with an average drawpoint extraction rate of 120tpd and an underground production rate of up to 70ktpd. Table 2 below summarises the key results with respect to the underground operation.

DIRECTORS' REPORT (Cont'd)

Table 2: Underground key results

Subject	Units	Optimised L3_Model
Material treated		
Tonnes	Mt	449
Head grade	Cu (%)	0.56
Contained Cu	mmlbs	5,529
Mining Levels	No.	2005, 1795 & 1300
Block Cave Stopes	No.	10
Life of Underground Block Cave	Years	21

However, from the work completed by RPM it is clear that further refinement of the production schedule is required, which necessitates detailed mine design and planning, that will be the subject of work undertaken during a pre-feasibility study. In addition, further exploration drilling, geotechnical and hydrological work is required to review the full potential of the underground operation.

Life of Mine

The Optimised L3_Model confirmed a potential production rate of 75ktpd for the open pit and 70ktpd for the underground block cave, with an average life of mine production rate of 23.9 million tonnes producing 100,100 tonnes Cu and 5,000 Mo per annum in concentrate at an average cash cost (after by-product credits) of US$1.06/lb.

With the deepening of the open pit, and resultant increase in the life of the open pit from 7 to 14 years, the need to initiate underground development prior to the commencement of production from the open pit is negated. Underground development can therefore be funded from cash flows generated by the open pit.

The key results for the Optimised L3_Model life of mine are summarised in Table 3 below.

Table 3: Life of Mine – Optimised L3_Model

Parameter	Optimised L3_Model
Total tonnes milled (millions)	811
Average annual tonnes milled (millions)	23.9
Average annual copper in concentrate (kt)	100.1
Average annual molybdenum in concentrate (kt)	5.0
Strip Ratio (open pit)	3.36:1
Mining costs (US$/t)	7.54
Processing costs (US$/t)	4.58
G & A costs (US$/t)	0.51
By - product credit (US$/lb payable Cu)	0.74
Cash operating costs *net of credits* (US$/lb copper)	1.06
Pre-production capital (US$ millions)	1,320

Note:

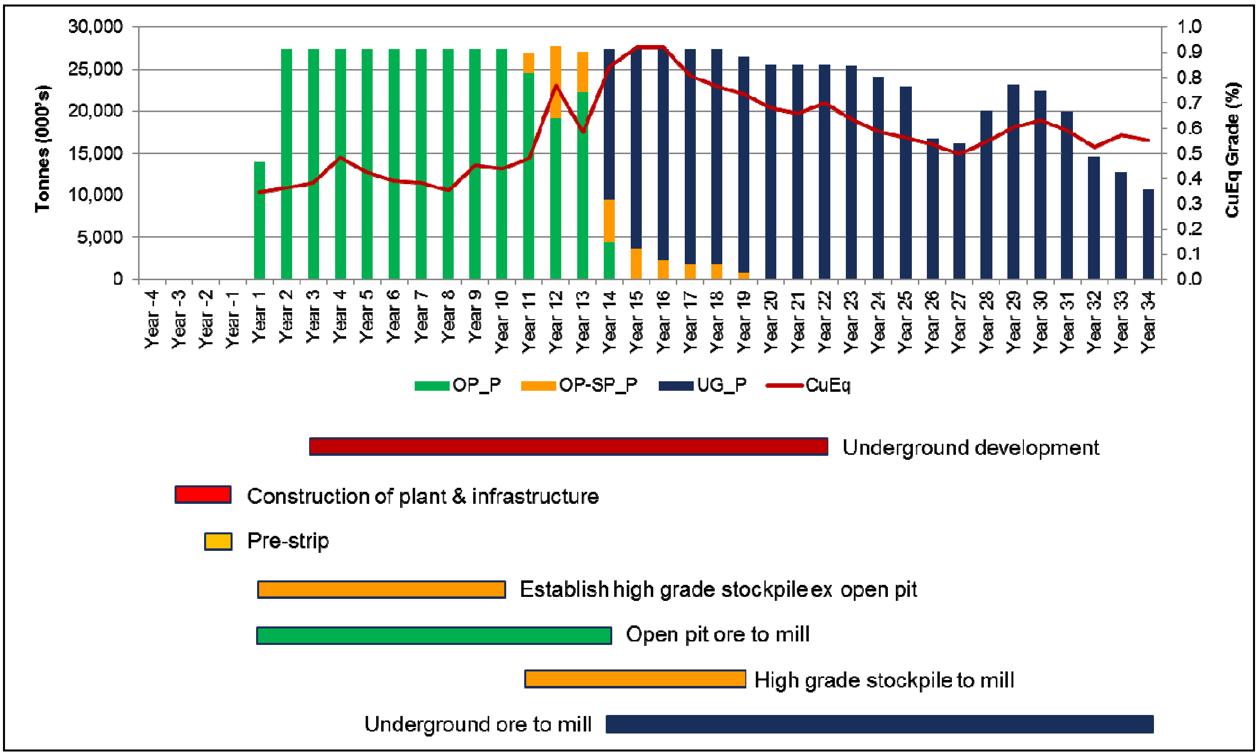
i) Cash operating costs exclude government royalties, but include all other costs and royalties.

ii) By-product credits based on long term commodity prices as follows: Mo: US$12.78/lb, Au: US$ 1,349/oz, Ag: US$ 25/oz and Rh: US$5,773/kg.

DIRECTORS' REPORT (Cont'd)

The development and production schedule for the Optimised L3_Model is graphically depicted below:

Figure 3: Production & Development Schedule



The envisaged development schedule for the Optimised L3_Model can be summarised as follows:

The project development schedule allows for construction of the surface infrastructure and the metallurgical plant to be undertaken simultaneously with the development of the open pit operation.

The life of the open pit is estimated to be 14 years, during which time a high grade stockpile will be established, which will supplement production from the underground operation during the underground ramp-up stage (Years 11 to 19).

The initial capital requirement for the establishment of the open pit, surface infrastructure and metallurgical plant is estimated at US$1,320 million, which includes a contingency of 25% by virtue of the current developmental status of the project. Hence, the maximum drawdown on capital pre-production from the open pit is estimated at US$1.32billion. Sustaining capital as well as the development of the underground mining operation will be funded from cashflow.

The underground mine infrastructure will consist of a twin decline system, one for personnel and equipment, and an adjacent conveyor system for ore extraction. Four vertical raise-bored ventilation shafts will support the underground operations. Ore will be crushed through a primary crusher to be located underground.

Future Work

The Company continues with detailed investigations that are a pre-requisite for the commencement of a pre-feasibility study. To this end the Company is currently undertaking the following:

- Design of an in-fill drilling program for the identified supergene zone, as well as the sterilisation drilling required for the establishment of the requisite mining infrastructure;
- Geotechnical studies in support of the optimised pit and underground block cave operation (Optimised L3_Model);
- Follow-up on recommendations made by RPM in their optimisation work (9 August 2013);
- Phase 2, detailed, metallurgical testwork;
- Oceanographic studies for the positioning of loading facilities at the coast;
- Positioning of an infrastructure corridor to the coast; and
- Identifying the optimal location for the planned tailings dam.

DIRECTORS' REPORT (Cont'd)

A detailed metallurgical testwork program has been planned using 9 geo-metallurgical samples that have been selected for the various ore-types identified at Los Calatos. 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 flotation plant.

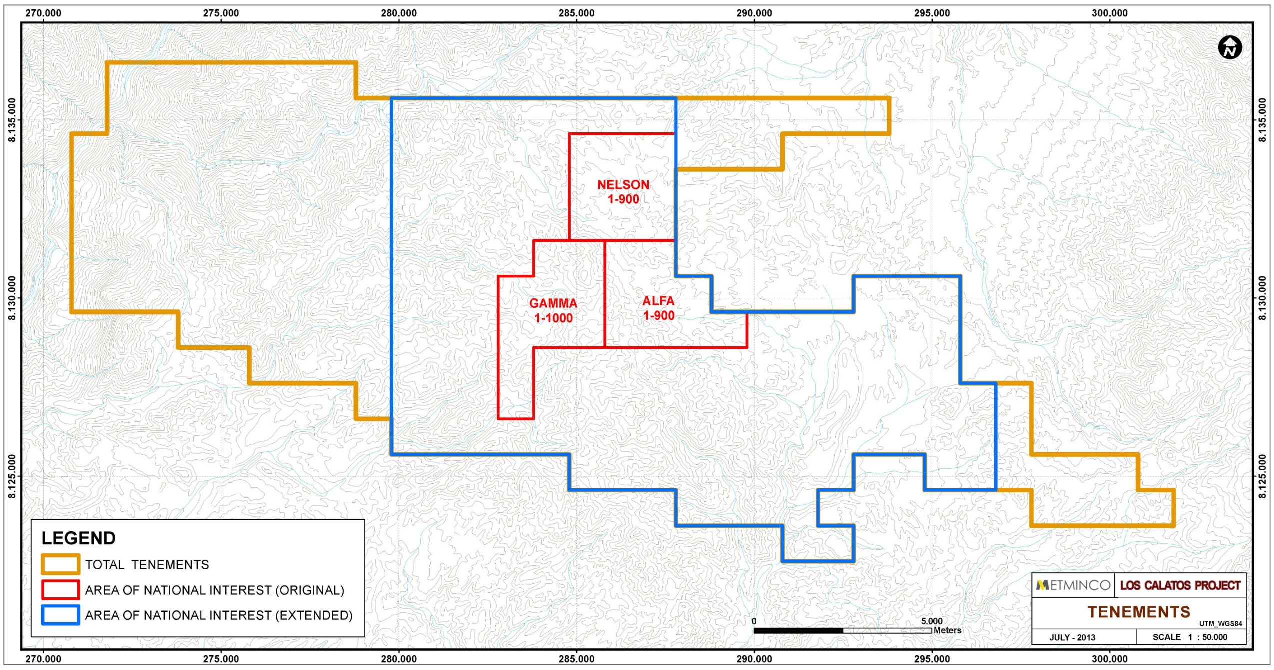
Project of National Interest

In July 2013 the Peruvian Government 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.

The Project of National Interest designation allows Minera Hampton Peru SAC to acquire the surface title to the relevant 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 4 below shows the initial area subject to Project of National Interest designation (red) and the increased area with Project of National Interest designation (blue).

Figure 4: Los Calatos Project tenement map



MOLLACAS PROJECT

The Mollacas Project, which occurs at an altitude of 1,500 metres above sea level, covers an area of 33 square kilometres and is located in Region IV, Chile, approximately 65 kilometres east of the town of Ovalle, and 160 kilometres by road from the port of La Serena.

Mineral Resource Estimate

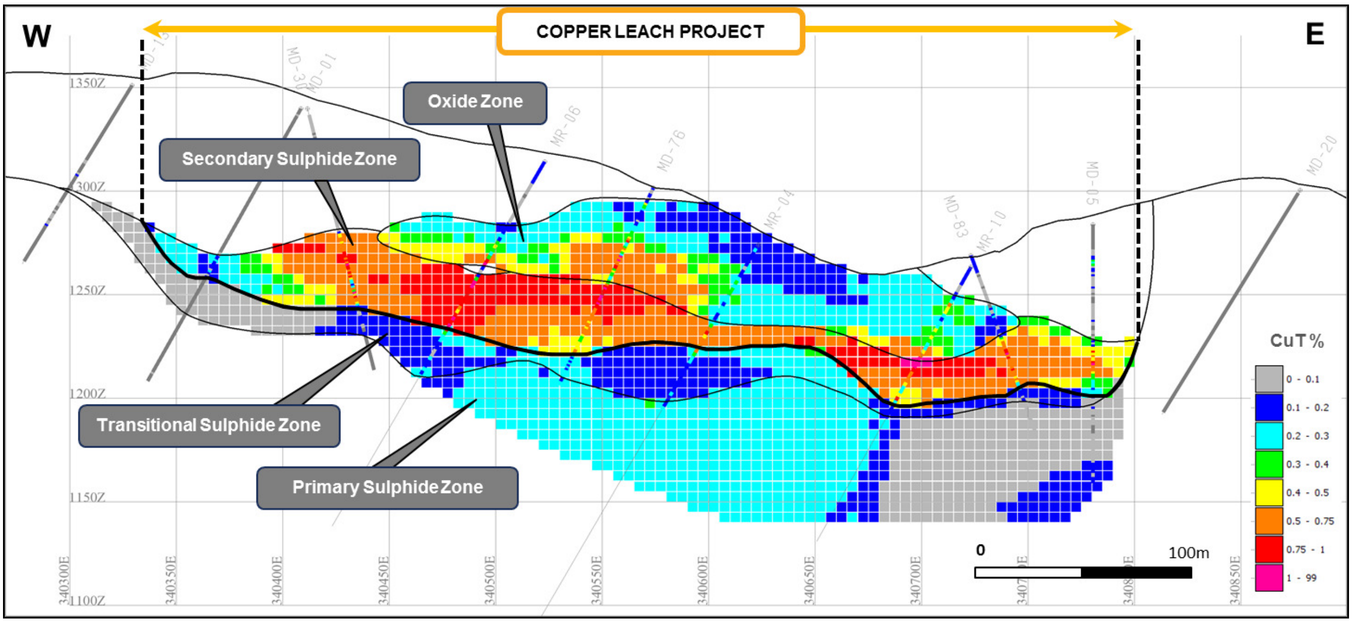
The mineral resource identified at Mollacas relates to an alteration zone that measures 800 metres by 600 metres that occurs above a primary, low grade, porphyry system (Figure 5).

In July 2012, SRK Consulting Chile completed a mineral resource estimate for Mollacas of 34.3 million tonnes containing 131,749 tonnes copper and 176,408 oz gold inclusive of the oxide, secondary sulphide, transitional sulphide and primary sulphide ore types.

DIRECTORS' REPORT (Cont'd)

Of this mineral resource estimate, 15.5 million tonnes at a CuT grade of 0.51% in the Measured and Indicated mineral resource categories (containing metal of 79,111 tonnes of leachable copper) relates to the Mollacas Copper Leach Project.

Figure 5: Copper Leach Project - comprises an enriched copper oxide and supergene cap



Metallurgical Testwork: 6-metre column testwork program (Figure 6)

Metallurgical testwork designed to evaluate the Mollacas copper leach process at a feasibility study level commenced in early April 2013 at the SGS laboratory in Santiago, Chile. 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 the third quarter of 2013 to initiate plant and leach pad design.

At the end of July 2013, 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 6: Mollacas 6 metre columns at the SGS laboratory in Santiago, Chile

OTHER PROJECTS

Minimal exploration activities were undertaken at the Vallecillo, Loica, Isidro and Camaron projects.

CORPORATE

Half Year Result

The Consolidated Group reported an after tax loss for the half year ended 30 June 2013 of $33,697,092. The loss included an impairment to exploration assets of $28,384,735 and a write-off of the Company's 50% interest in the San Lorenzo joint venture of $3,283,715.

During the half year ended 30 June 2013, the Company restructured its operations, focusing on its two advanced projects, namely Los Calatos and Mollacas. The Company suspended activities at its other projects with a view to divesting of these projects in part or in whole through a joint venture arrangement or an outright sale.

Accordingly the Company recorded a write down in the carrying value of its exploration projects as at 30 June 2013 by $28,384,735. The write down relates to the Vallecillo ($19,915,844), Loica ($6,789,655) and Isidro ($1,524,153) projects, as well as other lesser projects ($155,083).

The Company completed an assessment of work undertaken to date at its 50% owned San Lorenzo exploration tenements (part of the Isidro Project) and determined the tenements to be a not a sufficiently attractive target for the Company and recorded a write-off in the carrying value of its San Lorenzo interests as at 30 June 2013 of $3,283,715.

As part of the restructure, the Company's management team, including its Managing Director, will be centralised in Sydney and the Company's Chilean office will be closed during the third quarter 2013. 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.

The impact of the abovementioned 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.

Cash Position and Funding

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

Expenditure for the June 2013 half year included oceanographic, geotechnical scoping/optimisation studies and geological work at the Los Calatos Project; and, metallurgical testwork, environment impact assessment and related work at the Mollacas Project.

During the half year period the Company received approximately US$3.5 million (equivalent to A$3.3 million at time of receipt) relating to the recovery of VAT paid on Los Calatos expenditure incurred over the period 01 January 2012 to 31 October 2012. Further, as the Company holds its cash reserves in the currency in which it is expected to be incurred, which is primarily USD, the Company benefited from the fall in the AUD/USD exchange rate.

The Company's current cash reserves of approximately A$12.6 million together with the aforementioned expenditure reductions should be sufficient to enable the Company to fund its current activities well into 2015 without any capital raisings.

However, the Company is continuing to progress negotiations with a number of parties with respect to securing funding for the development of its 100% owned Los Calatos and Mollacas projects.

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, 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.

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.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Matters that have arisen in the interval between the end of the half year and the date of this report of a material or unusual nature are as follows:

- On 29 July 2013, the Company announced that the Peruvian Government had approved an increase in the area subject to Project of National Interest designation from 2,800 hectares to 12,700 hectares to accommodate surface infrastructure required for the development of the Los Calatos Project.
- On 12 August 2013, the Company announced the results of additional optimisation work at the Los Calatos Project, confirming the potential for annual production rates of 100,100 tonnes copper and 5,000 tonnes of molybdenum in concentrate over a mine life of 34 years at a life of mine cash operating cost of US$1.06/lb after by-product credits.

PROJECTS AND MINERAL RESOURCES

The Los Calatos Project, located in southern Peru, has a mineral resource of 304 million tonnes at 0.44% CuEq (at cut-off grade of 0.15% CuEq) to a vertical depth of 500 metres below surface and a 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.

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, an engineering company with 30 years of experience in the development of mining projects, both open pit and underground, was commissioned by Minera Hampton Peru SAC ("Hampton") to develop a conceptual mining study for the Los Calatos copper - molybdenum project.

In accordance with Metminco'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 certify 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).

RungePincockMinarco

RungePincockMinarco ("RPM") is the world's largest publicly listed independent group of mining technical experts, with a history going back to 1968.

Listed on the Australian Securities Exchange on 27 May 2008 (ASX: RUL), RPM is a global leader in the provision of advisory consulting, technology and professional development solutions to the mining industry.

The RPM global team of more than 200 specialist advisors and mining consultants is regarded as one of the most experienced and trusted teams in the industry, with wide-ranging operational and technical expertise across commodities, continents and mining methods.

Further, the RPM global team's knowledge base has been gained through the conduct of work in over 118 countries, and their approach to the business of mining is strongly grounded in economic principles.

The company's cutting-edge mining software technology has been at the forefront for more than 30 years and continues to be sought after globally for mine planning including scheduling, simulation and financial analysis solutions. Their software continues to be used by miners, mining contractors, financial institutions and other service providers to the mining sector.

At present, RPM operate offices in 18 locations across 12 countries on five continents.

In accordance with Metminco's requirements, RPM conducted a high level review of the life of mine production schedule developed for Los Calatos by NCL and Metminco. This included a review, and refinement, of key inputs relating to the production schedule as well as associated costs (operating costs and capital expenditure) and a financial analysis, in order to confirm that the planned increase in production to 75ktpd for the open pit operation and 70ktpd for the underground operation is technically achievable, economically viable, and is legally compliant.

The review was conducted under the direction of Mr David Pires, Bsc,Msc,GCert. Mr Pires is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of RPM as Regional Consulting Manager – Latin America.

RPM certify that the results reported by Hampton correspond to those obtained by RPM in the conduct of their study on Los Calatos entitled "Los Calatos Mine Production Study" dated 05 August 2013.

The reader is cautioned that the actual operating costs, production and economic returns may differ materially from those anticipated by the Mine Production Study, and depend on a variety of factors, some of which are outside the control of RPM.

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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under S307C of the Corporations Act 2001, is set out on page 16 of this financial report, and forms part of this Directors' Report.

This report is signed in accordance with a resolution of the Board of Directors.

Phillip J Wing.

Phillip J Wing, Non-Executive Director
Dated: 2nd September 2013

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Auditor's Independence Declaration
To the Directors of Metminco Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Metminco Limited for the half-year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
b. no contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 2 September 2013

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2013

	Note	30 June 2013 $	30 June 2012 $
Revenue			
Interest revenue		76,388	129,672
Realised loss on equity swap		–	(233,382)
Foreign exchange gain/(loss)		700,637	(467,053)
Administration expenses		(92,340)	(136,287)
Corporate expenses		(2,451,342)	(3,165,522)
Occupancy expense		(261,985)	(253,727)
Interest in joint venture impaired	4	(3,283,715)	–
Exploration expenditure impaired	5	(28,384,735)	(3,656,792)
Loss before income tax	2	**(33,697,092)**	**(7,783,091)**
Income tax expense		–	–
Loss for the period from continuing operations		**(33,697,092)**	**(7,783,091)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign controlled entities	7	9,878,358	276,506
Total comprehensive income for the period		**(23,818,734)**	**(7,506,585)**
Loss attributable to:			
Members of the parent entity		(33,697,092)	(7,783,091)
		(33,697,092)	**(7,783,091)**
Total comprehensive loss attributable to:			
Members of the parent entity		(23,818,734)	(7,506,585)
		(23,818,734)	**(7,506,585)**
Loss per share			
From continuing operations:			
Basic loss per share (cents)	8	(1.93)	(0.45)
Diluted loss per share (cents)	8	(1.93)	(0.45)

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	Note	30 June 2013 $	31 December 2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		12,573,880	14,484,097
Trade and other receivables	6	537,900	3,756,276
Other assets		40,429	53,266
TOTAL CURRENT ASSETS		**13,152,209**	**18,293,639**
NON-CURRENT ASSETS			
Trade and other receivables	6	4,806,683	4,374,785
Investments accounted for using equity method	4	-	2,891,734
Property, plant and equipment	3	4,207,919	3,740,442
Exploration and evaluation expenditure	5	188,457,399	205,359,513
TOTAL NON-CURRENT ASSETS		**197,472,001**	**216,366,474**
TOTAL ASSETS		**210,624,210**	**234,660,113**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		828,652	1,254,750
Short-term provisions		541,257	345,394
TOTAL CURRENT LIABILITIES		**1,369,909**	**1,600,144**
TOTAL NON-CURRENT LIABILITIES		–	–
TOTAL LIABILITIES		**1,369,909**	**1,600,144**
NET ASSETS		**209,254,301**	**233,059,969**
EQUITY			
Issued capital	10	317,607,678	317,607,678
Reserves		(31,624,309)	(41,515,733)
Accumulated losses		(76,729,068)	(43,031,976)
TOTAL EQUITY		**209,254,301**	**233,059,969**

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2013

	Note	Issued Capital	Accumulated Losses	Option Reserve	Foreign Currency Translation Reserve	Acquisition Reserve	Total
		$	$	$	$	$	$
Balance at 1 January 2012		**307,900,070**	**(31,119,078)**	**3,236,241**	**(2,444,989)**	**(41,506,662)**	**236,065,582**
Loss attributable to members of the parent entity		_	(7,783,091)	_	_	_	(7,783,091)
Other comprehensive income		_	_	_	276,506	_	276,506
Total comprehensive income for the period		_	(7,783,091)	_	276,506	_	(7,506,585)
Shares issued during the half year	10	10,510,526	_	_	_	_	10,510,526
Transaction costs		(803,281)	_	_	_	_	(803,281)
Options issued to directors and employees		_	_	185,840	_	_	185,840
Balance at 30 June 2012		**317,607,315**	**(38,902,169)**	**3,422,081**	**(2,168,483)**	**(41,506,662)**	**238,452,082**
Balance at 1 January 2013		**317,607,678**	**(43,031,976)**	**3,422,081**	**(3,431,152)**	**(41,506,662)**	**233,059,969**
Loss attributable to members of the parent entity		_	(33,697,092)	_	_	_	(33,697,092)
Other comprehensive income		_	_	_	9,878,358	_	9,878,358
Total comprehensive income for the period		_	(33,697,092)	_	9,878,358	_	(23,818,734)
Options issued to directors and employees	10	_	_	13,066	_	_	13,066
Balance at 30 June 2013		**317,607,678**	**(76,729,068)**	**3,435,147**	**6,447,206**	**(41,506,662)**	**209,254,301**

These financial statements should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2013

	Note	30 June 2013 $	30 June 2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,311,414)	(3,286,660)
Interest received		76,388	129,672
Net cash used in operating activities		**(2,235,026)**	**(3,156,988)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(213,111)	(227,279)
Payments for exploration expenditure		(3,494,237)	(17,889,775)
Recovery of VAT in Peru		3,331,520	–
Net cash used in investing activities		**(375,828)**	**(18,117,054)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		–	10,510,526
Payment in respect to capital raising		–	(1,255,183)
Proceeds from equity swap		–	735,415
Net cash provided by financing activities		–	**9,990,758**
Net decrease in cash held		**(2,610,854)**	**(11,283,284)**
Cash and cash equivalents at beginning of financial period		14,484,097	44,030,949
Effect of exchange rates on cash holdings in foreign currencies		700,637	(471,764)
Cash and cash equivalents at end of financial period		**12,573,880**	**32,275,901**

These financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2013

NOTE 1: BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

Reporting entity

Metminco Limited is a company domiciled in Australia. The consolidated interim financial report of the Company for the half-year ended 30 June 2013 comprises the Company and its controlled entities.

The consolidated annual financial report of the consolidated entity for the period ended 31 December 2012 is available upon request from the Company's registered office at Level 6, 122 Walker St, North Sydney 2060, Australia or from the Company's website at www.metminco.com.au.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.
The financial statements were authorised for issue by the directors on 2nd September 2013.

Statement of Compliance

This general purpose financial report for the half year ended 30 June 2013 has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2012 and any public announcements made by Metminco Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Significant Accounting Policies

The accounting policies applied by the consolidated entity in this condensed consolidated interim financial report are consistent with those applied by the consolidated entity in its annual financial report for the year ended 31 December 2012 other than as stated below.

Change in accounting policy

The Group has adopted the new and amended accounting standards which became effective for the first time on 1 January 2013, specifically AASB 10 Consolidated Financial Statements and AASB 11 Joint Arrangements. AASB 10 Consolidated Financial Statements affected the Group's principles of consolidation and AASB 11 Joint Arrangements resulted in the Group changing its accounting for joint ventures from proportionate consolidation to the equity method.

Other new and amended accounting standards that apply for the first time to the 30 June 2013 interim period include AASB 12 Disclosure of Interests in Other Entities, AASB 13 Fair Value Measurement, AASB 119 Employee Benefits (September 2011), AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13, AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities and AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle. While these standards introduced new disclosure requirements, they did not affect the Group's accounting policies or any of the amounts recognised in the financial statements.

Basis of consolidation

AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 Consolidated and Separate Financial Statements and AASB Interpretation 112 Consolidation – Special Purpose Entities. The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional application guidance.

Under AASB 10, the group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

NOTE 1: BASIS OF PREPARATION AND ACCOUNTING POLICIES (Cont'd)

The group has reassessed its consolidation conclusions in light of the new control principles in AASB 10 and concluded that no changes are required. Accordingly, the adoption of AASB 10 has not resulted in any adjustments to the carrying amounts in the financial statements.

Investments in joint ventures

AASB 11 replaces AASB 131 Interests in Joint Ventures and AASB Interpretation 113 Jointly- controlled Entities – Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly-controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations for liabilities are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method.

The adoption of AASB 11 has not resulted in any changes to the group's accounting for joint operations. The carrying value of the joint venture the Group entered in is zero.

Going concern basis of accounting

The Consolidated Group made a loss for the half year. The Consolidated Group is an exploration entity without an operating cash flow and the net cash position of the Consolidated Group will continue to decrease until such time as the Group has an operating cash flow.

The directors are satisfied that the Company and Group have sufficient cash reserves to maintain its current portfolio and meet its debts as and when they fall due. Therefore these financial statements have been prepared on a going concern basis.

NOTE 2: LOSS FOR THE PERIOD	**6 months ended 30 June 2013 $**	**6 months ended 30 June 2012 $**
Expenses:		
Expenses from continuing operations:		
Employee and directors' benefits expense	(1,490,898)	(1,823,874)
Depreciation and amortization	(151,752)	(121,284)

NOTE 3: PROPERTY PLANT & EQUIPMENT	30 June 2013 $	31 December 2012 $
Land		
At cost	3,093,715	2,724,414
Total land	**3,093,715**	**2,724,414**
Plant and equipment		
At cost	1,999,994	1,586,771
Accumulated depreciation	(885,790)	(570,743)
Total plant and equipment	**1,114,204**	**1,016,028**
Total property, plant and equipment	**4,207,919**	**3,740,442**

Reconciliations

Reconciliation of the carrying amounts for each class of property, plant and equipment are set out below:

Land		
Carrying amount at beginning of period	2,724,414	2,678,365
Additions through acquisition	–	90,725
Impact of foreign exchange movement on balance at beginning of period	369,301	(44,676)
Carrying amount of plant and equipment at end of period	**3,093,715**	**2,724,414**
Plant and equipment		
Carrying amount at beginning of period	1,016,028	911,080
Additions	213,111	370,790
Transfer to exploration	(15,379)	–
Impact of foreign exchange movement on balance at beginning of period	52,196	(2,118)
Depreciation	(151,752)	(263,724)
Carrying amount of plant and equipment at end of period	**1,114,204**	**1,016,028**
Carrying amount at end of period	**4,207,919**	**3,740,442**

NOTE 4: INTEREST IN JOINT VENTURE

Equity accounted investments	–	2,891,734
	–	**2,891,734**
Movement during the year in equity accounted investment in joint venture entities		
Carrying amount at the beginning of the period	2,891,734	2,947,726
Impact of foreign exchange movement during the period	391,981	(55,992)
Exploration written off *1	(3,283,715)	–
Carrying amount at the end of the half year	**–**	**2,891,734**

*1 During the half year ended 30 June 2013 the Company completed an assessment of work undertaken to date at its 50% owned San Lorenzo exploration tenements (part of the Isidro Project) and determined the tenements to be a lower priority target for the Company. Accordingly the Company has suspended exploration work and has recorded a write down in the carrying value of its San Lorenzo interests as at 30 June 2013 by $3,283,715.

NOTE 5: EXPLORATION AND EVALUATION	30 June 2013 $	31 December 2012 $
Costs carried forward in respect of areas of interest in:		
– exploration and evaluation phases	**188,457,399**	**205,359,513**
Reconciliations		
Carrying amount at the beginning of the period	205,359,513	183,840,162
Expenditure incurred during the period	3,494,237	26,829,287
Transfer from plant and equipment	15,379	–
Impact of foreign exchange movement during the period	7,973,005	(769,049)
Exploration written off *1	(28,384,735)	(4,540,887)
Carrying amount at the end of the half year	**188,457,399**	**205,359,513**

* 1 During the half year ended 30 June 2013 the Company undertook a review of its operations and determined to restructure its operations focusing on the Company's advanced projects, namely the Los Calatos and Mollacas projects. The Company suspended activities at its other projects with a view to disposing of these projects in part or in whole through a joint venture arrangement or an outright sale. Accordingly the Company has recorded a write down in the carrying value of its exploration projects as at 30 June 2013 by $28,384,735. The write down relates to the Vallecillo Project ($19,915,844), Loica Project ($6,789,655), Isidro Project ($1,524,153) and other projects ($155,083).

Recoverability of the carrying amount of exploration assets is dependent upon the successful recovery of mineral reserves.

Capitalised costs amounting to $3,496,475 for the period ended 30 June 2013 (for the half year ended 30 June 2012: $17,889,775) have been included in cash flows from investing activities.

NOTE 6: RECEIVABLES

	30 June 2013 $	31 December 2012 $
CURRENT		
Other receivables	155,193	288,551
VAT receivables*1	382,707	3,467,725
Total current trade and other receivables	**537,900**	**3,756,276**
NON-CURRENT		
VAT receivables *2	4,806,683	4,374,785
Total non-current trade and other receivables	**4,806,683**	**4,374,785**

*1 VAT receivables – current is IGV (Peruvian equivalent of VAT) incurred by Hampton Peru relating to the Los Calatos Project for the current period. Hampton Peru has been approved by the Peruvian Mining Department to recover IGV (Peruvian equivalent of VAT) paid on direct expenditure relating to the Los Calatos Project incurred until 31 December 2015. Hampton Peru has recovered in full all IGV paid with respect to the Los Calatos Project until 31 October 2012.

*2 VAT receivables – non-current is IGV and IVA (Chilean equivalent of VAT) incurred by Hampton Peru and Hampton Chile which is recoverable against VAT received from sales and/or exports in the respective tax jurisdictions.

NOTE 7: FOREIGN EXCHANGE RESERVE

During the half year ended 30 June 2013 the AUD depreciated against the USD by 13.56% resulting in a foreign exchange reserve gain of $9,878,358 (half year to 30 June 2012 the AUD depreciated against the USD by 0.15% resulting in a foreign exchange reserve gain of $276,506).

	6 months ended 30 June 2013			6 months ended 30 June 2012		
Date	31/12/2012	30/06/2013	% change	31/12/2011	30/06/2012	% change
AUD/USD	1.0371	0.9133	-13.56%	1.0174	1.0159	-0.15%

NOTE 8: LOSS PER SHARE

		6 months ended 30 June 2013 $	6 months ended 30 June 2012 $
a.	**Reconciliation of earnings to loss**		
	Loss	(33,697,092)	(7,783,091)
	Loss attributable to minority equity interest	–	–
	Loss used in the calculation of basic and dilutive EPS	**(33,697,092)**	**(7,783,091)**
		30 June 2013 NO.	**30 June 2012 NO.**
b.	**Weighted average number of ordinary shares outstanding during the full year used in calculating basic EPS**	1,749,543,023	1,747,445,788
	Weighted average number of dilutive options outstanding	–	–
c.	**Anti-dilutive options on issue not used in dilutive EPS calculation**	42,000,000	73,717,517

NOTE 9: DIVIDENDS

The company resolved not to pay or declare any dividends in the period ended 30 June 2013 (2012: $ nil).

NOTE 10: ISSUED CAPITAL

	30 June 2013 $	31 December 2012 $
1,749,543,023 (31 December 2012: 1,749,543,023) fully paid ordinary shares	**317,607,678**	**317,607,678**
Movements in Ordinary Shares		
Balance at the beginning of the reporting period	**317,607,678**	**307,900,070**
Shares issued during the reporting period		
- 6 January 2012	–	10,341,000
- 11 January 2012	–	169,560
- 4 December 2012		362
Cost of capital raising	–	(803,314)
Closing Balance	**317,607,678**	**317,607,678**

NOTE 10: ISSUED CAPITAL (Cont'd)

Ordinary Shares	30 June 2013 Number	31 December 2012 Number
At the beginning of reporting period	**1,749,543,023**	**1,674,466,146**
Shares issued during reporting period		
- 6 January 2012	–	73,864,286
- 11 January 2012	–	1,211,141
- 4 December 2012	–	1,450
At reporting date	**1,749,543,023**	**1,749,543,023**

On 28 January 2013 the Company issued 250,000 options to one employee in accordance with the Company's ESOP at an exercise price of $0.075 cents expiring 28 January 2016.

On 28 January 2013 the Company issued 250,000 options to one employee in accordance with the Company's ESOP at an exercise price of $0.089 cents expiring 28 January 2016.

The total expense of the options issued during the half year period is $13,066.

All the shares rank for dividend pari passu. Each share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

NOTE 11: CAPITAL AND LEASING COMMITMENTS

		30 June 2013 $	31 December 2012 $
a)	**Operating Lease Commitments**		
	Non-cancellable operating leases contracted for but not capitalised in the financial statements		
	Payable - minimum lease payments		
	- not later than 12 months	150,019	225,870
	- between 12 months and 5 years	–	22,881
	- greater than 5 years	–	–
		150,019	**275,751**
b)	**Exploration Tenement Licence Commitments**		
	Mining and exploration licence fees for tenements held by the Group but not yet capitalised in the financial statements		
	Payable minimum lease payments		
	- not later than 12 months	**430,234**	**378,877**

NOTE 12: OTHER COMMITMENTS AND CONTINGENT LIABILITIES

The holder of the surface titles in respect of the Mollacas Project, Agrícola Bauzá Ltda has filed various actions against Hampton Chile with respect to access and environmental matters. All claims made by Agricola Bauzá Ltda have been vigorously defended by Hampton Chile and Chilean judiciary have ruled in favour of Hampton Chile in respect of all matters heard by the judiciary to date.

NOTE 13: SEGMENT REPORTING

The Consoldiated Group's primary activity is mineral exploration in the geographic area of South America. This focus is consistent with the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily for the sole purpose of mineral exploration.

	MINERAL EXPLORATION		UNALLOCATED		Total	
a. Segment performance	**30 June 2013 $**	**30 June 2012 $**	**30 June 2013 $**	**30 June 2012 $**	**30 June 2013 $**	**30 June 2013 $**
Other income	38,377	10,526	38,011	119,146	76,388	129,672
Total segment revenue	38,377	10,526	38,011	119,146	76,388	129,672
Total group revenue	38,377	10,526	38,011	119,146	**76,388**	**129,672**
Segment loss before tax	(40,191,041)	(5,218,139)	6,493,949	(2,564,952)	(33,697,092)	(7,783,091)
Loss before tax from continuing operations	(40,191,041)	(5,218,139)	6,493,949	(2,564,952)	**(33,697,092)**	**(7,783,091)**
Depreciation and amortisation expense included in segement result	**(77,286)**	**(66,998)**	**(74,466)**	**(54,286)**	**(151,752)**	**(121,284)**
Impairment loss	(31,668,450)	–	–	–	(31,668,450)	–

	MINERAL EXPLORATION		UNALLOCATED		Total	
b. Segment assets	**30 June 2013 $**	**31 December 2012 $**	**30 June 2013 $**	**31 December 2012 $**	**30 June 2013 $**	**31 December 2012 $**
Segment assets	198,810,487	219,484,970	11,813,723	15,175,143	210,624,210	234,660,113
Segment asset increases for the period – capital expenditure	3,707,348	32,651,021	–	53,506	3,707,348	32,704,527
	3,707,348	**32,651,021**	**–**	**53,506**	**3,707,348**	**32,704,527**
Included in segment assets are:						
– Equity accounted associates and joint ventures	–	2,891,734	–	–	–	2,891,734
c. Segment liabilities						
Segment liabilities	974,484	1,160,123	395,425	440,021	1,369,909	1,600,144
Reconciliation of segment liabilities to group liabilities						
Total group liabilities	**974,484**	**1,160,123**	**395,425**	**440,021**	**1,369,909**	**1,600,144**

d. Other income by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:	**30 JUNE 2013 $**	**30 JUNE 2012 $**
Australia	38,011	119,146
South America	38,377	10,526
Total revenue	**76,388**	**129,672**

e. Assets by geographical region

The location of segment assets by geographical location of the assets is disclosed below:	**30 JUNE 2013 $**	**31 DECEMBER 2012 $**
Australia	11,813,723	15,175,143
South America	198,810,487	219,484,970
Total assets	**210,624,210**	**234,660,113**

NOTE 14: EVENTS AFTER THE BALANCE SHEET DATE

Matters that have arisen in the interval between the end of the half year and the date of this report of a material or unusual nature are as follows:

a) On 29 July 2013, the Company announced that the Peruvian Government had approved an increase in the area subject to Project of National Interest designation from 2,800 hectares to 12,700 hectares to accommodate surface infrastructure required for the development of the Los Calatos Project.

b) On 12 August 2013, the Company announced the results of additional optimisation work at the Los Calatos Project, confirming the potential for annual production rates of 100,100 tonnes copper and 5,000 tonnes of molybdenum in concentrate over a mine life of 34 years at a life of mine cash operating cost of US$1.06/lb after by-product credits.

DIRECTORS' DECLARATION

In the opinion of the Directors of Metminco Limited:

1. The consolidated financial statements of Metminco Limited are in accordance with the Corporations Act 2001, including:
    a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and,
    b) giving a true and fair view of the financial position as at 30 June 2013 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Phillip J. Wing.

Phillip J Wing, Non-Executive Director

Dated this 2nd day of September 2013

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Independent Auditor's Review Report
To the Members of Metminco Limited

We have reviewed the accompanying half-year financial report of Metminco Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 30 June 2013, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Metminco Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Metminco Limited consolidated entity's financial position as at 30 June 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Metminco Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Metminco Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C F Farley
Partner - Audit & Assurance

Sydney, 2 September 2013