

## SALE OF INTEREST IN THE LOS CALATOS PROJECT

- **Metminco settles sale of Los Calatos asset realising A\$6.7 million (net of costs)**
- **Proceeds to fund Miraflores Gold Project toward a Decision to Mine**
- **Miraflores Gold Project targeting production of 50,000oz Au p/a over nine-year mine life**

**Metminco Limited** (“**Metminco**” or the “**Company**”) (**ASX: MNC; AIM: MNC**) is pleased to announce settlement of the sale of its 49% interest in Los Calatos Holding Limited (**LCH**) to CD Capital Natural Resources Fund III LP for approximately US\$5 million (A\$6.7 million) cash consideration net of costs (**the Sale**).

The Sale represents achievement of another important milestone for Metminco in its transition to becoming a gold producer. Funds from the Sale will be applied to completion of the Miraflores Feasibility Study and the lodgement of the Environmental Impact Assessment (**EIA**) leading towards a decision to mine, subject to mine development funding and EIA approval. The Miraflores Feasibility Study is anticipated to be completed during Q3 2017 with the EIA expected to be lodged by the end of 2017. The Company, subject to EIA approval, is targeting commencement of construction of the proposed Miraflores gold mine and facilities during Q2 2018 with gold production targeted to commence in the first half of 2019.

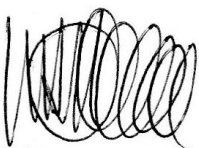
The Company announced on 14 March 2017 an updated JORC Measured & Indicated Mineral Resource of 9.27Mt @ 2.82g/t and 2.77 g/t Ag containing 840,000ozs Au and 826,000ozs Ag for the Miraflores Gold Project. The Miraflores Scoping Study released on 8 September 2016 estimated annual production of approximately 50,000oz per year over the nine-year mine life at an average all-in sustaining cost of US\$648/oz with pre-production capital estimated to be US\$81 million. The Miraflores Gold Project forms part of the Quinchia Gold Portfolio which also includes the potentially highly prospective gold porphyry prospects of Tesorito and Chuscal, which have the potential to significantly enhance gold production from the Miraflores plant and extend its life.

Mr William Howe, Managing Director, commented: “The Los Calatos Sale provides the Company with the required funding to complete the Miraflores Feasibility Study and EIA, two significant milestones for the Company. The Sale enables the Company to advance Miraflores where significant near term value exists.

Through the opportunistic acquisition of the Quinchia Gold Portfolio last year the Company owns and is in control of a high quality gold asset located in the Cauca region of Colombia. We believe the planned development of the Miraflores gold mine will provide the backbone for transforming the Company into a significant gold producer. Tesorito and Chuscal are known gold mineralised prospects that have the potential to considerably enhance gold production from the planned Miraflores plant.

We expect to continue to deliver key milestones in the advancement of Miraflores and look forward to reporting these to our shareholders.”

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



**William Howe**  
**Managing Director**

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**Forward Looking Statement**

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Metminco are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as "anticipate", "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Metminco that could cause Metminco's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Metminco does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing