

LOS CALATOS DRILLING RESULTS – TD2 TARGET

Metminco Limited (“Metminco” or the “Company”) (ASX: MNC; AIM: MNC) advises that the drilling of a single drill hole at the TD2 Target has been completed with results supporting the presence of a probable, deeper seated porphyry system, and delivering higher than expected levels of gold and silver.

Drill hole CD-96 was drilled with the objective of assessing the mineralisation potential of the breccias that have been mapped on surface, and which host visible copper oxide mineralisation (as chrysocolla), at depth. The drill hole was inclined at an angle of 60° towards an azimuth of N260°, and was stopped at a drill depth of 666 metres (Annexure 1a).

The drill hole intersected a quartz-monzonitic intrusive near surface and was terminated in a dioritic intrusive at a depth of 666 metres, both of which are traversed by breccias. Two significant structures were intersected over the depth intervals 172 to 213 metres and 311 to 346 metres, comprising dominantly chalcedonic quartz and pyrite associated with strong phyllic alteration (Annexure 1b).

Significant analytical results include the following:

- Depth interval 311 to 346 metres: 35 metres @ 0.24g/t Au and 2.64g/t Ag, which includes:
 - 5 metres @ 0.44g/t Au and 6.02g/t Ag (and 2m @ 0.72g/t Au and 13.05g/t Ag)
 - 17 metres @ 0.30g/t Au and 2.98g/t Ag (and 2m @ 0.69g/t Au and 8.25g/t Ag)
 - 1 metre @ 0.82% Cu

The presence of gold and silver, as well as elevated zinc and lead values associated with a strongly sericitized breccia, rooted in quartz epidote altered rocks, suggests that the CD-96 intersection is located in the upper levels of a hydrothermal system located above a deeper seated porphyry body. Of significance is the fact that the mean gold value returned over the 35 metre intersection alluded to above is some 13 times higher than the mean gold value associated with the underlying porphyry, as intersected in the main Los Calatos deposit.

Hence, the drilling results from CD-96 confirm the potential of the TD2 Target, albeit that the targeted porphyry hosted Cu and Mo mineralisation is expected to be deeper than anticipated (Annexures 1c and 1d). As such, further drilling will be required to test the system at depth, at which point in time the drilling of two drill holes at the TD3 Target will also be considered.

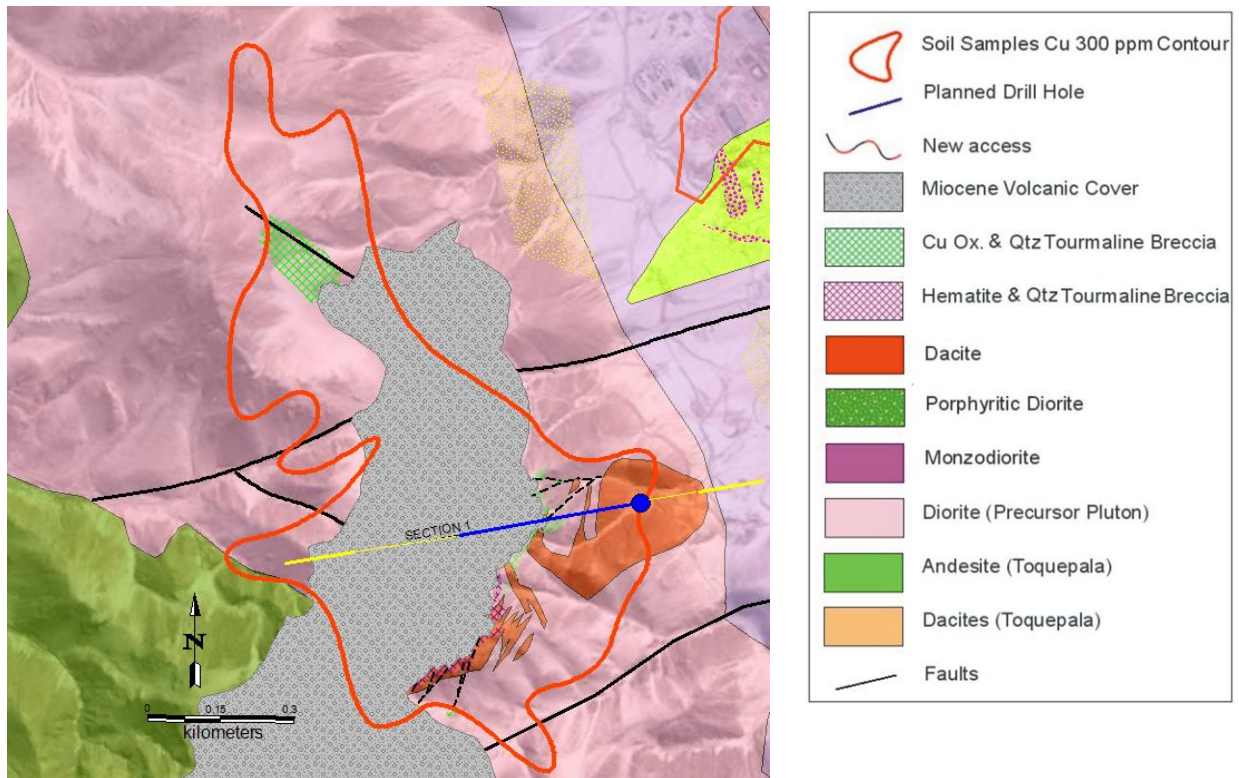
Mr William Howe, Managing Director, commented: “The TD2 drill hole results are encouraging in that they support our expectations of the presence of a probable, deeper seated, porphyry system adjacent to the Los Calatos deposit.

Clearly the presence of elevated gold and silver results is a significant development that justifies further investigation and work.”

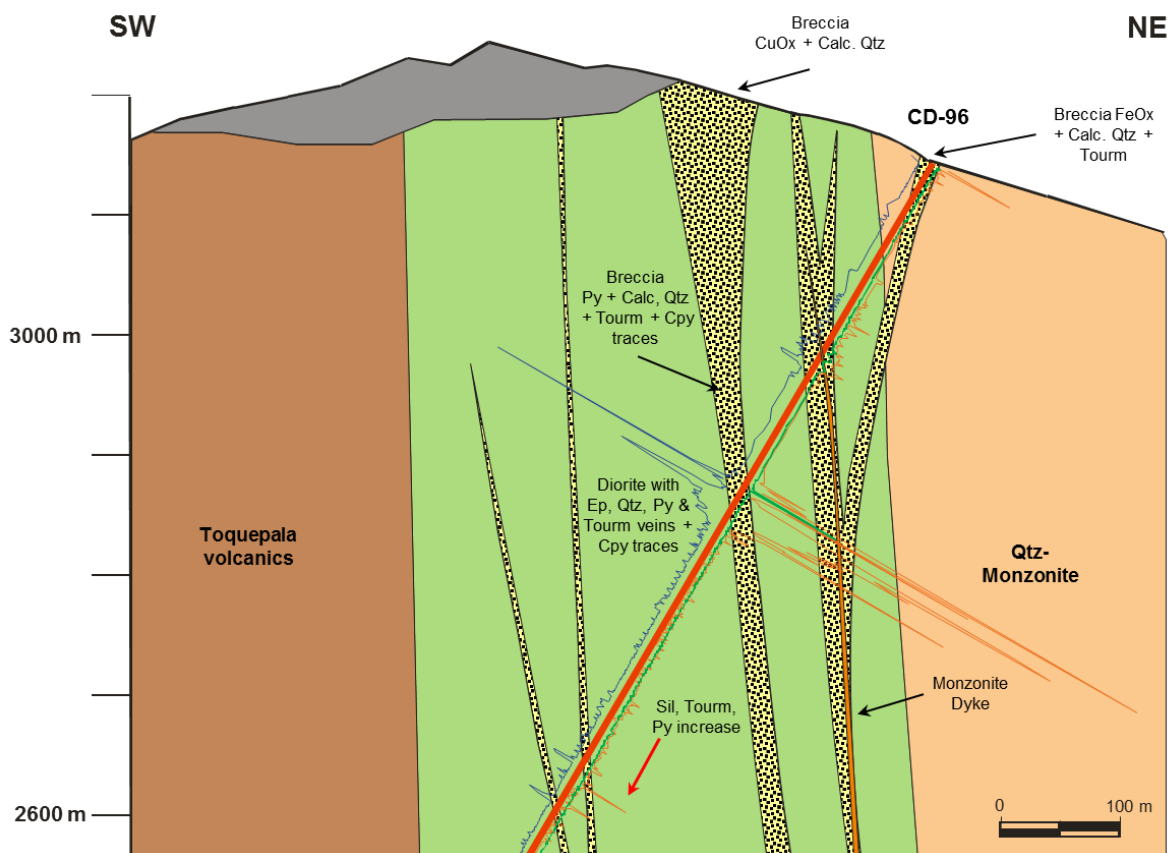


William Howe

Managing Director

ANNEXURE 1**a. Locality Plan – Drill hole CD-96 (TD2 Target).**

b. Drilling Results – CD-96

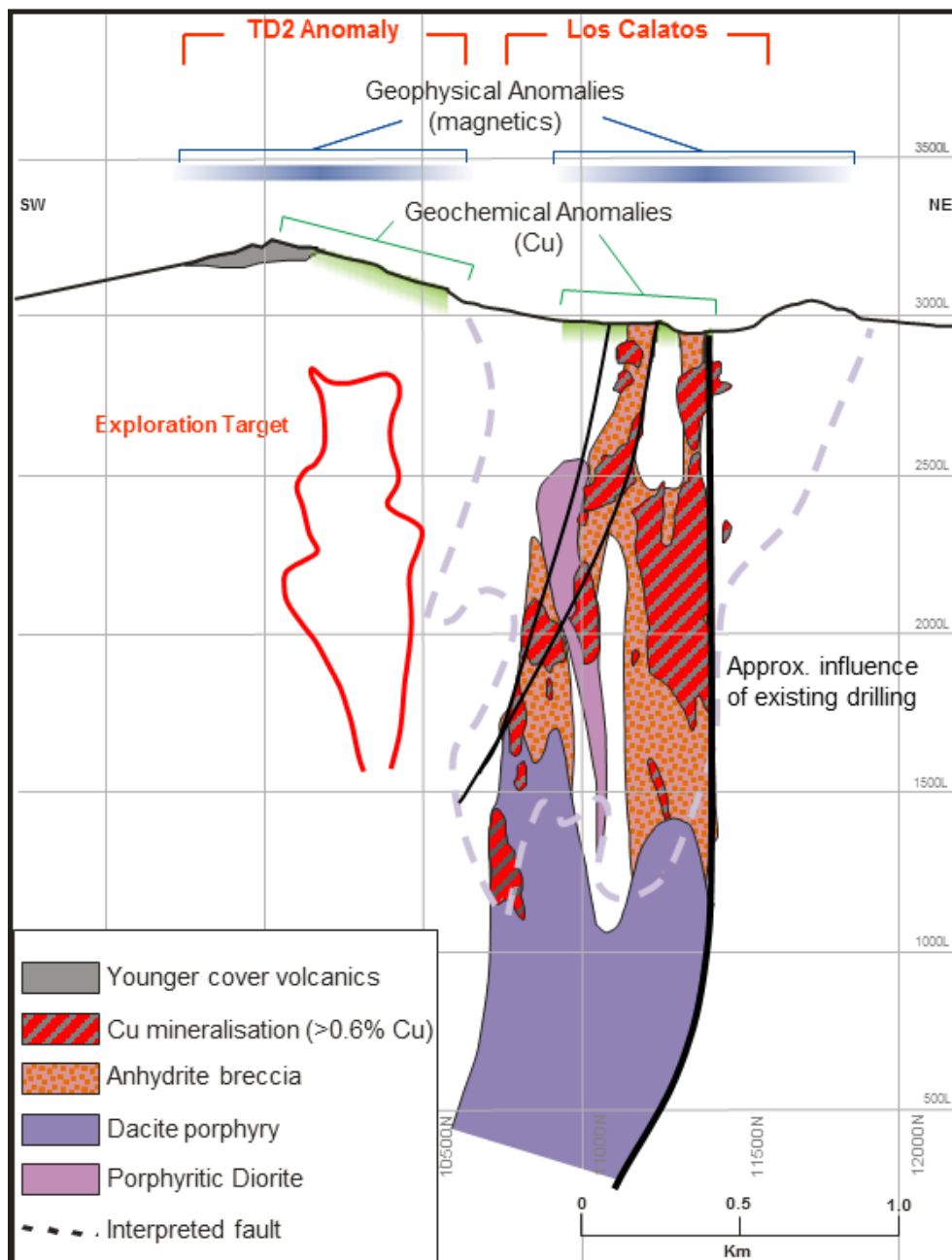


Geochemical Assays

—	Cu (%)
—	Au (ppb)
—	Ag (g/t)

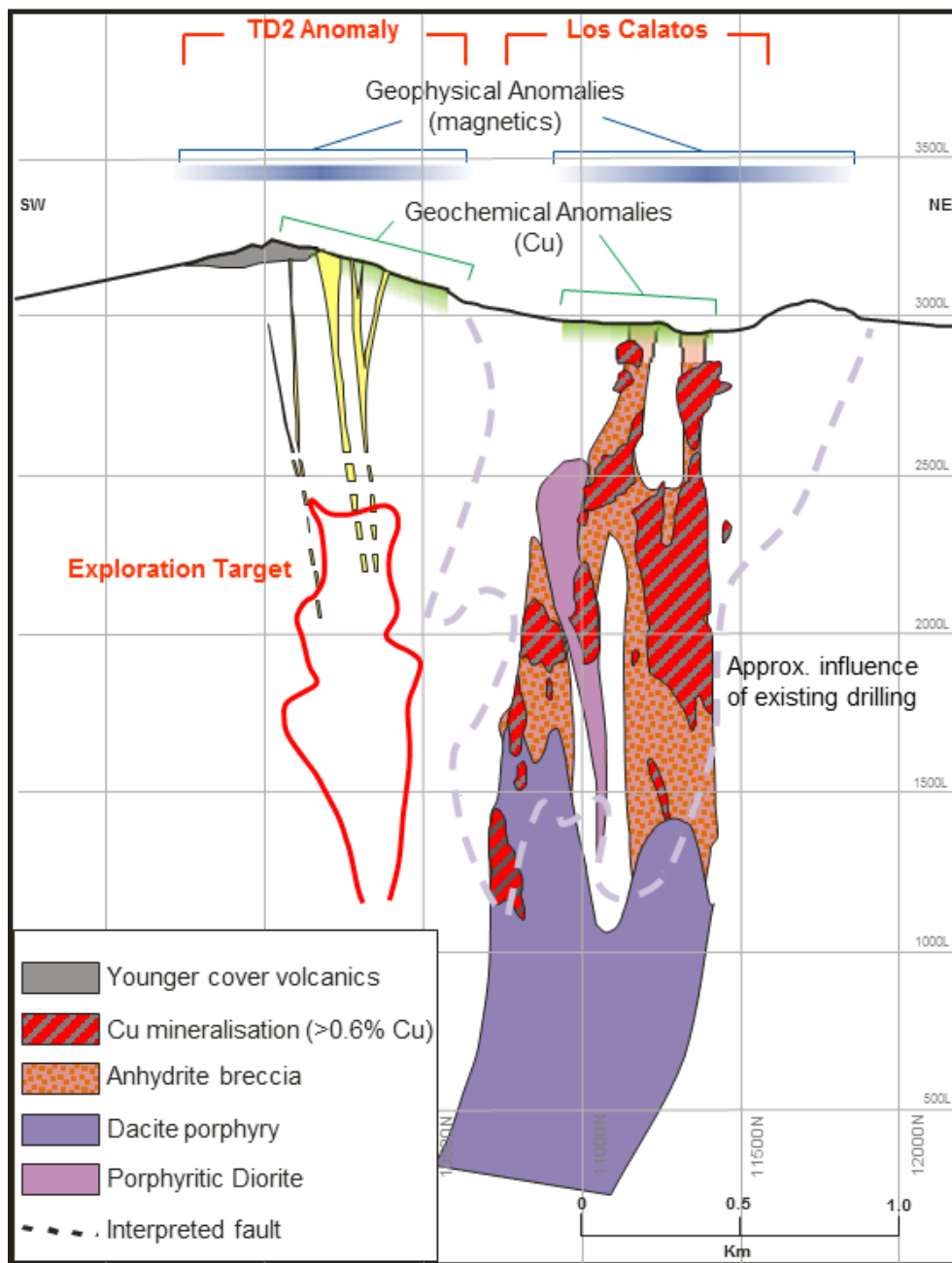
Note:

- Drill hole trace indicated in Red;
- Gold assay results in ppb indicated in Orange (to right of drill hole trace);
- Silver assay results in g/t indicated in Blue (to the left of the drill hole trace);
- No dacite was intersected as projected; and
- Abbreviations: CuOx – Copper Oxide; FeOx = Iron Oxide; Py = Pyrite; Calc = Calcite; Qtz = Quartz; Tourm = Tourmaline; Sil = Siliceous; and Ep = Epidote.

c. Schematic Section - TD2 Exploration Target pre-drilling of CD-96.

Note: Main target estimated at an elevation of $\pm 2700\text{mRL}$.

d. Schematic Section - TD2 Exploration Target post-drilling of CD-96.



Note: Main target estimated at an elevation of $\pm 2400\text{mRL}$.

For further information please contact:

METMINCO LIMITED

Stephen Tainton / Phil Killen

Office: +61 (0) 2 9460 1856

NOMINATED ADVISOR AND BROKER

RFC Ambrian

Australia

Will Souter/ Nathan Forsyth

Office: +61 (0) 2 9250 0000

United Kingdom

Samantha Harrison / Charlie Cryer

Office: +44 (0) 20 3440 6800

JOINT BROKER

SP Angel Corporate Finance LLP (UK)

Ewan Leggat

Office: +44 (0) 20 3470 0470

Company Background

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

Projects and Mineral Resources

The Los Calatos Project, located in southern Peru, has a total estimated mineral resource of 352 million tonnes at 0.76% Cu and 318 ppm Mo at a cut-off grade of 0.5% Cu, comprising a Measured and Indicated Mineral Resource of 136 million tonnes at 0.73% Cu and 434 ppm Mo, and an Inferred Mineral Resource of 216 million tonnes at 0.78% Cu and 244 ppm Mo.

The Chilean assets include the Mollacas Copper Project with a Mineral Resource of 15.5 million tonnes consisting of a Measured Resource of 11.2 million tonnes at 0.55% Cu and 0.12g/t Au and an Indicated Resource of 4.3 million tonnes at 0.41% Cu and 0.14g/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 an early stage exploration project where initial exploration activities have identified anomalous copper and molybdenum 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 currently employed by the Company in Chile.

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.

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.