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Metminco Limited
23 December 2016

AIM ANNOUNCEMENT

23 December 2016

Share consolidation - suspension of trading

Metminco Limited ("Metminco" or the "Company") (ASX: MNC; AIM: MNC) announces that trading in Metminco on AIM has been suspended pending completion of the share consolidation process which was announced on 19 December. Trading has been suspended because the suspension of trading in Metminco shares on ASX will prevent the settlement of trades on AIM.

The expected timetable for the share consolidation process is:

23 December 2016 - Record Date for consolidation

28 December 2016 - Notices sent to security holders of revised shareholdings

4 January 2016 - Issue date of consolidated shares, trading on AIM resumes

It is expected that, following completion of the consolidation, Metminco will have approximately 90,278,373 shares on issue, subject to rounding.

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

Charlie Cryer

Office: +44 (0) 20 3440 6800

JOINT BROKER

SP Angel Corporate Finance LLP (UK)

Ewan Leggat

Office: +44 (0) 20 3470 0470

PUBLIC RELATIONS

Camarco

United Kingdom

Gordon Poole / Tom Huddart

Office: + 44 (0) 20 3757 4997

Notes to editors

Metminco Limited is an exploration and mining company, dual listed on the Australian Stock Exchange and London Stock Exchange, with a portfolio of projects located in Peru, Colombia and Chile. The Company's focus is advancing its Quinchia gold portfolio in Colombia and the Los Calatos copper project in Peru. The Company also has exposure to molybdenum, gold and zinc via its projects in Peru and Chile.

Quinchia Gold Portfolio (100%)

On 20 June 2016, Metminco acquired Miraflores Compania Minera SAS (formerly Minera Seafield SAS) for an equity consideration as well as deferred cash payments payable annually over the following four years. Miraflores Compania owns 100% of the Quinchia Gold Portfolio, which is located in Colombia's Middle Cauca Belt and contains a number of deposits and significant exploration and development targets including Miraflores, Dosquebradas, Tesorito and Chuscal. The portfolio has a NI 43-101 estimated Mineral Resource of 2.8 million ounces of gold.

Miraflores is the near term development opportunity. It has a Measured and Indicated Mineral Resource of 9.19 million tonnes at 2.81g/t gold and 2.76g/t silver (832,000 oz Au and 817,000 oz Ag). A recent Scoping Study focussed on an underground operation producing 50,000 ounces of gold per annum for 9 years. The focus is now on the conduct of the planned Feasibility Study.

The Los Calatos Project (49%)

Through its wholly owned subsidiary, Minera Hampton Peru SAC, Metminco holds a 49% interest in Los Calatos, which is located in Southern Peru near three large operating copper-molybdenum mines, namely Cuajone, Toquepala and Cerro Verde. Molybdenum constitutes a significant by-product of copper mining from this belt.

The detailed re-logging program that was conducted on the Los Calatos drill core in late 2014 and early 2015, resulted in an estimated mineral resource of 352 million tonnes at a Cu grade of 0.76% and a Mo grade of 318 ppm (2.76mt Cu and 111,936t Mo Metal). The development prospects of the project have been significantly enhanced by the agreement signed on 14 June 2016 with CD Capital Natural Resources Fund III LP to fund the completion of the Pre-feasibility and Feasibility Studies, and acquire up to 70% of equity in the project for an investment of up to US\$45 million.

As per the Agreement with CD Capital, the Company will use its best endeavours to distribute at least 90% of its holding in Hampton Mining (the wholly owned subsidiary holding its interest in the Los Calatos Project) to its shareholders within six months of completion of the transaction.

This information is provided by RNS
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