



21 November 2018

Dear Shareholder

### **Notice to Eligible Shareholders of Renounceable Rights Issue**

We write to you as the registered holder of fully paid ordinary shares (**Shares**) in Metminco Limited (ASX: MNC) (**Company**) as at today's date. As advised in the Company's ASX announcement dated 20 November 2018, the Company is undertaking a pro rata renounceable offer to eligible shareholders for the issue of 2 new Shares (**New Shares**) for every 5 Shares held at the record date on Friday, 30 November 2018 (**Record Date**) at an issue price of \$0.003 each to raise approximately \$1.25 million (before costs) (**Rights Issue**).

The Rights Issue is available to all Company shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or, subject to certain offer restrictions, New Zealand or Singapore (**Eligible Shareholders**). The Rights Issue is not being extended to any Shareholders with addresses outside these jurisdictions.

A prospectus in relation to the Rights Issue was lodged with ASIC on Tuesday, 20 November 2018 and will be sent to Eligible Shareholders in due course (**Prospectus**).

The Directors have indicated that they intend to take up in whole or in part their entitlements under the Rights Issue. In addition, Mr Kevin Wilson has agreed to conditionally partially underwrite the Rights Issue for up to \$100,000 and is a related party of the Company for the purpose of the Corporations Act by virtue of being a Director. Full details of the underwriting arrangements are included in the Prospectus.

Patersons Securities Limited has been appointed as Lead Manager to the Rights Issue.

### **Purpose of the Rights Issue**

Subject to the satisfactory completion of the Rights Issue, funds raised will be used to advance the Company's Quinchia Gold Project in Colombia and for working capital.

### **Prospectus**

Details of the Rights Issue are contained in the Prospectus. The Prospectus can be accessed from the ASX and Company websites, [www.asx.com.au](http://www.asx.com.au) and [www.metminco.com.au](http://www.metminco.com.au) respectively. Defined terms herein have the same meaning as in the Prospectus.

A copy of the Prospectus is intended to be sent to Eligible Shareholders on Wednesday, 5 December 2018.

The Directors of the Company urge you to read the Prospectus carefully and seek advice from your financial adviser if you have any queries. This notice is to inform you of the Rights Issue. You are not required to do anything in respect to this letter.

## Indicative Timetable

The securities issued under the Rights Issue will be offered in accordance with the following indicative timetable:

Event	Date
Lodgement of Prospectus and Appendix 3B with ASX Option holders notified of Offers Notice of Rights Issue sent to Shareholders	Pre-market open on Wednesday, 21 November 2018
Securities quoted on an "Ex" basis and rights trading commences	Thursday, 29 November 2018
Record Date for determining Entitlements	Friday, 30 November 2018
Prospectus and Application Form despatched to Eligible Shareholders	Wednesday, 5 December 2018
Rights trading ends	Friday, 7 December 2018
Securities quoted on a deferred settlement basis	Monday, 10 December 2018
Last day to extend the Closing Date of Rights Issue	Tuesday, 11 December 2018
Closing Date of Rights Issue	Friday, 14 December 2018
Notification of Shortfall	Monday, 17 December 2018
Issue date of Securities under the Rights Issue Deferred settlement trading ends	Tuesday, 18 December 2018
Commencement of Securities trading on ordinary settlement basis	Wednesday, 19 December 2018

All dates are indicative only and subject to change without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the securities.

### Shortfall Offer

Any shortfall of Shares under the Rights Issue (**Shortfall Shares**) will be offered to Eligible Shareholders and subscribers at an issue price of \$0.003 per Shortfall Share, subscribed for in accordance with the relevant Application Form accompanying the Prospectus (**Shortfall Offer**).

The Company will allocate the Shortfall Shares (in order of priority) to subscribers of the placement completed 3 October 2018, to any other Eligible Shareholders who are not related parties of the Company, to any third parties unrelated to the Company who apply for Shortfall Shares prior to the Closing Date and lastly, to Mr Kevin Wilson pursuant to the underwriting agreement.

If any Shortfall Shares are remaining after applications have been satisfied, the Company, in consultation with Patersons, will place any such remaining Shortfall Shares within 3 months after the close of the Rights Issue. No Shortfall Shares will be issued if their issue would contravene the takeover prohibition in section 606 of the Corporations Act.

For further details of the Company's shortfall allocation policy, please refer to Section 1.3 of the Prospectus.

**Effect on Capital Structure**


The table below sets out the impact of the Rights Issue and other offers under the Prospectus on the capital structure of the Company (assuming the offers are fully subscribed and no further securities are issued or exercised):

	Shares	Quoted Options
Balance at the date of this Letter	1,047,548,977	502,369,372
To be issued under the Rights Issue and Shortfall Offer	419,019,591	Nil
To be issued under the Placement Options Offer	Nil	45,000,000
<b>TOTAL</b>	<b>1,466,568,568</b>	<b>547,369,372</b>

The Company also has 53,491,278 unquoted options and 58 million performance rights on issue.

For all enquiries concerning the Rights Issue, please contact the Joint Company Secretaries by telephone on +61 3 9867 7199 and for all general shareholder enquiries, please contact Link Market Services Limited on 1300 554 474.

Yours sincerely



Kevin Wilson  
Executive Chairman