

ASX Announcement**23 October 2019**

Non-Binding Term Sheet for Sale of Non-Core Chile Assets for ~A\$1.5 Million*

** Based on consideration of USD\$1.0 million and 1USD = \$0.68 as at 18 October 2019*

Metminco Limited (ASX: MNC) (“Metminco” or “the Company”) is pleased to announce that it has negotiated key commercial terms, and executed a non-binding term sheet (**Term Sheet**) for the sale of its legacy and non-core Mollacas asset in Chile to a Chilean company (“**Acquiror**”).

Metminco and the Acquiror have been negotiating the sale of the Mollacas assets which comprise mineral title, surface title and water rights. This has culminated in an offer to Metminco of USD \$1.0 million (approximately A\$1.5 million), subject to satisfaction of due diligence by the Acquiror.

The Term Sheet has agreed a settlement date of 1 December 2019, subject to a valid Deed of Release under Chilean Laws.

Metminco’s Managing Director, Mr Jason Stirbinskis commented;

“This is a very sensible deal for both Metminco shareholders and for the Acquiror, with both groups working diligently for a timely close to the transaction.

The recently reformed Metminco business is solely focused on our expansive and highly prospective position in Colombia, and this non-dilutive capital injection of about A\$1.5 million will assist to drive our exploration push which has recently commenced with diamond drilling now underway at our Chuscal gold target.”

The parties are working towards completion of a Binding Sale and Purchase Agreement to reflect the Term Sheet, in parallel with completion of due diligence. Given the conditionality of the Term Sheet, including the need for completion of due diligence and signing of a Binding Sale and Purchase Agreement, there is no guarantee the asset sale will complete. As the transaction progresses the Company will provide updates to the market as and when appropriate.

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