

## METMINCO announces Board changes

**Metminco Limited (ASX: MNC; AIM: MNC) (“Metminco” or the “Company”)** is pleased to announce changes to the Board, which, combined with the successful completion of the current capital raising, will allow the implementation of a focus on the significant exploration potential of Metminco’s gold projects in Colombia.

Mr Kevin Wilson has been appointed to the position of Executive Chairman of Metminco. Mr Wilson has over 30 years’ experience in the minerals and finance industries, including as Managing Director of Leviathan Resources, a Victorian gold mining company. Over the last 8 years Mr Wilson was Managing Director of an Australian energy exploration company. Mr Wilson’s background includes experience as a geologist with the Anglo American Group in Africa and North America and as a stockbroking analyst and investment banker with CS First Boston and Merrill Lynch in Australia and USA.

Mr Wilson is currently also non-executive Chairman of Victorian gold explorer Navarre Minerals Limited and non-executive director of Investigator Resources Limited.

The Board has approved a strategy which gives a more immediate focus on demonstrating the significant potential of the Colombian gold exploration assets in Quinchia. This includes commencing a drilling program as soon as practical on the Tesorito prospect and to gain access to the Chuscal prospect, both considered to be highly prospective gold exploration targets by the Company. Work will continue on the permitting of the Miraflores project as the company investigates options for gold production.

As the focus shifts to exploration in Colombia, non-core assets will be divested and there will be a significant reduction of operating costs and a reduction in financial liabilities. This cost reduction will include further changes to the Board which will result in fewer directors and a shift in the skill mix.

As the near-term focus has shifted back towards exploration and away from mine development, Mr William Howe has resigned from the Board and accepted the role as Chief Operating Officer, located in Colombia. Mr Howe built the firm and took it through its development phase in Peru and Chile. He also moved Metminco into Colombia and acquired the Quinchia portfolio, which has significant upside that is now the firm’s primary focus. The Board thanks Mr Howe for his tireless devotion to the Company during this period.

Mr Howe will continue to run day to day operations in Colombia while an exploration manager is sought and an orderly handover can be undertaken.

Mr Wilson said “I’m excited by the opportunities that are presented in Metminco. There is a first class exploration portfolio with outstanding potential at Tesorito and Chuscal and options for a gold development at Miraflores. With the funds currently being raised we will be able to rapidly commence investigating these opportunities. I look forward to working with William and his team to unlock the value that I believe exists in this portfolio.”

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### Additional information on Mr Kevin John Wilson

Mr Kevin John Wilson, aged 60, currently holds or has held the following directorships and partnerships over the last five years:

<b>Current directorships and partnerships</b>	<b>Past directorships</b>
Black Range Metals Pty Ltd	Blackfin Pty Ltd
Investigator Resources Ltd	Camballin Energy Pty Ltd
Navarre Minerals Ltd	Humitos Pty Ltd
	Rey Cattamarra Pty Ltd
	Rey Derby Block Pty Ltd
	Rey Derby Port Operations Pty Ltd
	Rey Derby Pty Ltd
	Rey Freney Pty Ltd
	Rey Lennard Shelf Pty Ltd
	Rey Mt Fenton Pty Ltd
	Rey Oil and Gas Pty Ltd
	Rey Oil and Gas Perth Pty Ltd
	Rey Resources Limited
	Rey Royalty Chile Pty Ltd
	Rey Victory Pty Ltd

Mr. Wilson holds no securities in Metminco at the date of this announcement.

Except as disclosed in this announcement, neither the Company nor Mr. Wilson are aware of any further disclosures that are required in respect of the appointment of Mr. Kevin John Wilson under Rule 17 or paragraph (g) of Schedule Two of the AIM Rules for Companies.

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The key terms of Mr Wilson's Executive Service Agreement are as follows:

- Annual fixed salary of \$200,000 including statutory superannuation;
- Annual bonus based on his performance in meeting targets and goals as determined by the Board;
- Right to participate in a Long Term Incentive scheme. Set by the Board, and subject to shareholder approval, this is expected to comprise the issue of Performance Rights which convert to ordinary shares on meeting performance and share price vesting conditions. It is the intention of the Board to propose to seek shareholder approval at the Company's upcoming Annual General Meeting for the issue of a total of up to 58 million Performance Rights over approximately three years, split into five equal tranches of approximately 11.6 million Performance Rights with both performance and share price vesting conditions:
  - Tranche 1 vesting on a 30 day Volume Weighted Average Price of Metminco shares on ASX ("VWAP") of 1.2c before December 31 2018;
  - Tranche 2 vesting on 30 day VWAP of 1.6c before December 31, 2019;
  - Tranche 3 vesting on delivery of resource of at least 1 million ounces gold at Tesorito before December 31, 2019;
  - Tranche 4 vesting on 30 day VWAP of 2.4c before December 31, 2020; and
  - Tranche 5 vesting on delivery of a Resource of at least 1 million ounces gold at Chuscal before December 31, 2020.
- Termination. Under certain conditions, Mr Wilson will have the right to receive termination payout in cash equal to six months' annual salary

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## **Market Abuse Regulation (MAR) Disclosure**

The information communicated in this announcement includes inside information for the purposes of Article 7 of Regulation 596/2014.

## **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