Minco Plc

Interim Report and Accounts

For the Six Months Ended 30 June 2011

Minco Reports Interim Results for the Six Months Ended 30 June 2011

Dublin, 30 September 2011 – Minco Plc (AIM/MIO), the AIM quoted exploration and development company is pleased to report its interim results for the six month period ended 30 June 2011.

REPORT ON OPERATIONS

Minco is involved in exploration and development activities in Ireland at its Pallas Green zinc-lead project, a Joint Venture with Xstrata Zinc, and in exploring and developing silver and zinc projects in Central Mexico through its 29.0 per cent. shareholding in Xtierra Inc. (Toronto Stock Exchange TSXV/XAG).

The Pallas Green Project

Minco holds a 23.6 per cent. interest in the Pallas Green zinc-lead exploration project, near Limerick, Ireland, with Joint Venture partner, and project Manager, Xstrata Zinc, one of the world's largest zinc production companies.

Minco announced on 13 July 2011 that it had entered into a conditional agreement, subject to approval of Minco shareholders and receipt of other regulatory approvals and consents, for the sale of Minco's interest in the Pallas Green Project to Xstrata for a cash payment of US$19.4 million. The proposed sale is subject to a number of conditions, including satisfactory due diligence by Xstrata, approval by the Board of Xstrata Zinc, approval by Minco's shareholders and receipt of other regulatory approvals and consents.

An Extraordinary General Meeting of the Company is being convened for 11:00 a.m. on 24 October 2011 at the D4 Ballsbridge Court Hotel, Ballsbridge, Dublin 4, Ireland, for the purpose of considering and if considered appropriate, approving the sale.

For the year 2011, Xstrata Zinc proposed a €13 million (US$18 million) budget comprising additional exploration and infill drilling as well as a pre-feasibility study. The pre-feasibility study and related costs are budgeted at about €3 million, while the proposed €10 million drilling programme is split about two thirds infill definition drilling and one third exploration drilling.

Minco has not agreed to this proposed 2011 programme and budget and particularly to the allocation between infill/definition and exploration drilling. Minco has contributed US$648,000 (€450,000) of the 2011 exploration costs but, due to the absence of agreement on the 2011 programme and budget, has not paid all of its cash calls made by Xstrata for 2011.

Discussions with Xstrata on the resolution of the technical aspects and direction of the proposed 2011 work programme have been ongoing during 2011. These discussions eventually evolved into a proposal by Xstrata to purchase Minco's interest in the Joint Venture. Further negotiations led to a conditional agreement for the sale by Minco to Xstrata of all of Minco's interest in the Pallas Green Joint Venture for a consideration of US$19.4 million.

In the event shareholders do not approve the sale at the EGM and Minco continues to participate in the Joint Venture, it will need to raise additional funding. In order to fully participate in the 2011 programme, as proposed by Xstrata, Minco would be required to finance an additional €2.6 million plus a further amount for working capital. If the Company does not participate in some or all of the proposed 2011 programme, or subsequent programmes, the Company's interest in the Pallas Green Joint Venture will be diluted.

Minco has the option not to contribute to any further work programmes at Pallas Green and allow its participating interest to be diluted as Xstrata contributes 100 per cent. of the budget expenditures. According to the dilution formula in the Joint Venture Agreement, Minco's participating interest would be diluted to approximately 16.25 per cent. by the end of 2011 and to approximately 8.36 per cent. by the end of 2013 (based on estimated budgets for 2012 and 2013). At the point at which Minco's participating interest reaches 5 per cent., it would be ceded to Xstrata and Minco would then have carried a 15 per cent. net profits interest from production in eight of the ten Prospecting Licenses. Minco would not have carried a 15 per cent. interest in Licenses 3268 and 3647 as such interest is held by Cominco (now Teck).

Should Shareholders not vote in favour of the disposal at the EGM, the Directors believe that the Company will have no alternative but seek to raise equity finance, or to be diluted in accordance with the terms of the Joint Venture. The Directors have no indication that any such financing would be possible or on what terms it could be executed.

Review of Operations

For the year 2011, Xstrata Zinc proposed a €13 million (US$18 million) budget comprising additional exploration and infill drilling as well as a pre-feasibility study. The pre-feasibility study and related costs are budgeted at about €3 million, while the proposed €10 million drilling programme is split about two thirds infill definition drilling and one third exploration drilling.

Minco believes that the lead/zinc deposits at Pallas Green have not yet been fully delineated and has proposed that the drilling in 2011 should focus on ongoing exploration in the prospective Caherconlish area, and particularly exploring for higher grade and larger tonnage parts of the overall deposit.

Xstrata has not agreed with Minco's proposals and, as part of the pre-feasibility study, wants to concentrate on infill/definition drilling of the already defined Tobermalug zone which Minco considers to be the peripheral, more discontinuous part of the mineral deposit.

Twenty one drill rigs continue to operate in the vicinity of Caherconlish. To the end of August 2011, one hundred and forty four drill holes were completed and 64,093 metres drilled to further define the mineralisation within Tobermalug and the Northwest Extension, to continue definition and exploration of the Knockroe area, and to continue exploration of sparsely explored areas adjacent to and between resource lenses. In addition, eighteen holes were lost.

	Number of drill holes	*% of holes drilled*
TBM/NWEX Definition drilling		
50m infill/step-out	59	41.0%
100m infill/step-out	33	22.9%
	92	63.9%
Knockroe Exploration/definition drilling	37	25.7%
Other Exploration drilling	15	10.4%
Total	144	100.0%

Ninety two holes were drilled to further define the Tobermalug and the Northwest Extension inferred resource with the objective of increasing the confidence in the current resource as part of a pre-feasibility study being undertaken by Xstrata and due for completion by year end. Fifty nine holes at 50 metre spacing and thirty three holes at 100 metre spacing have been completed, infilling between existing holes or stepping out from known resource grade mineralisation.

Thirty nine of these definition holes (42 per cent.) have intersected mineralisation exceeding 3 metres in width, with an average grade in excess of 4 per cent. combined lead and zinc. Twenty three holes (25 per cent.) intersected mineralisation exceeding 3 metres in width with an average grade in excess of 6 per cent. combined lead and zinc and these have an average grade close to the 10.68 per cent. combined lead and zinc equivalent average of the 31 December 2010 inferred resource.

Assay results have been received for fifteen of the thirty nine definition holes that have intersected mineralisation exceeding 3 metres in width with an estimated average grade in excess of 4 per cent. combined lead and zinc:

	From	*To*	*m*	*Zn%*	*Pb%*	*Zn+Pb%*	*Lens*
636-249	372.50	381.80	9.30	17.74	2.73	20.47	NWX
2529-133	406.00	409.25	3.25	16.88	1.56	18.44	TBM
636-269	**363.95**	**368.95**	**5.00**	**11.09**	**5.89**	**16.98**	**NWX**
2529-153*	**395.30**	**399.50**	**4.20**	**10.62**	**5.85**	**16.47**	**TBM**
636-248	341.25	352.50	11.25	11.35	1.91	13.26	NWX
2529-139	389.60	398.10	8.50	8.91	2.70	11.61	TBM
636-245	350.40	353.95	3.55	7.10	2.57	9.67	NWX
636-229	376.20	380.65	4.45	6.91	0.85	7.76	TBM
636-247A	**361.90**	**368.90**	**7.00**	**6.62**	**1.11**	**7.73**	**TBM**
636-260	355.50	373.40	18.35	5.98	1.14	7.12	TBM
636-231	370.80	376.70	5.90	5.11	1.44	6.55	NWX
and	398.45	401.85	3.40	4.04	0.68	4.72	TBM
2529-17	**444.45**	**448.35**	**3.9**	**4.75**	**0.59**	**5.34**	**TBM**
636-264	**326.10**	**337.00**	**10.90**	**3.98**	**0.49**	**4.47**	**TBM**
636-271	**367.95**	**371.80**	**3.85**	**3.50**	**0.55**	**4.05**	**TBM**
636-246	**361.90**	**368.90**	**8.90**	**3.67**	**0.32**	**3.99**	**TBM**

Bold type denotes results not previously reported.

Thirty seven holes, 26 per cent. of the total completed to date, have further defined the Knockroe mineralisation or expanded exploration in the Knockroe area. Sixteen of these holes have intersected mineralisation exceeding 6 per cent. combined lead and zinc over 3 metres. Assay results have been received for nine of these holes.

	From	*To*	*m*	*Zn%*	*Pb%*	*Zn+Pb%*	*Ag g/t*
2529-181	**483.80**	**491.80**	**8.00**	**18.41**	**2.01**	**20.42**	**5.63**
2529-140	503.80	517.20	13.40	11.45	1.38	12.83	3.01
2529-146	629.95	638.25	8.30	8.36	3.76	12.12	18.31
2529-150	450.10	466.45	16.35	9.51	0.88	10.39	8.01
2529-123	507.65	517.45	9.80	7.72	0.30	8.02	3.67
2529-138	510.65	517.00	6.35	6.56	0.98	7.54	5.68
2529-131	601.00	604.70	3.70	7.05	0.47	7.52	4.92
and	608.95	614.20	5.25	6.16	0.44	6.60	5.11
2529-149	499.30	503.05	3.75	5.45	0.65	6.10	2.06
2529-143	**628.35**	**632.55**	**4.20**	**4.53**	**0.44**	**4.97**	**5.83**

Bold type denotes results not previously reported.

The resource in the Knockroe area continues to expand with new lenses identified 400 metres to the southeast (2529-131) and southwest (2529-146) of the initial discovery area. Significant potential remains for the discovery of new lenses to the west, south and southeast of Knockroe. One kilometre to the southeast, hole 2529-129 intersected 27.6 metres averaging 1.12 per cent. zinc and 0.28 per cent. lead (including 2 metres averaging 3.08 per cent. zinc and 1.79 per cent. lead) indicating a probable connection with Tobermalug 'Deep South' mineralised area.

Minco is of the opinion that a major northeast striking fault complex lies immediately to the south of current drilling with the potential to host a significant tonnage of high grade mineralisation. Fourteen drill holes have explored between and adjacent to known zones of mineralisation. Of these, six intersected narrow widths of low grade mineralisation.

New Resource Updates

In February 2011, Xstrata provided Minco with a revised JORC compliant resource estimate, calculated as of 31 December 2010, at both a 4 per cent. and a 6 per cent. zinc equivalent cut-off. The 4 per cent. zinc equivalent cut-off resource amounts to 25.9 million tonnes of inferred resources at an average grade of 7.51 per cent. Zn and 1.38 per cent. Pb (8.89 per cent. Zn/Pb), while the 6 per cent. zinc equivalent cut-off resource amounts to 17.6 million tonnes of inferred resources at an average grade of 8.96 per cent. Zn and 1.72 per cent. Pb (10.68 per cent. Zn/Pb).

Xstrata has also provided Minco with an updated undiluted, *in situ* inferred resource for the Caherconlish area as of 30 April 2011 (not JORC compliant), which indicates an increase of 1.9 million tonnes and

1.4 million tonnes respectively in the 4 per cent. and 6 per cent. zinc equivalent cut-off *in situ* resource, and with reductions of 2.2 per cent. and 3.3 per cent., respectively in the undiluted (zinc plus lead) resource grade, over the previous resource estimates prepared by Xstrata as of 31 December 2010.

The update resource indicates that as of 30 April 2011, the overall inferred resource, at the 6 per cent. zinc equivalent cut-off, has increased by about 1.4 million tonnes and with a reduction in the zinc grade from 8.96 per cent. Zn to 8.73 per cent. Zn. Minco has separately estimated that the drilling on the Knockroe zone has added approximately 4 million tonnes to the inferred resource (not JORC compliant), essentially doubling the Knockroe resource since the start of 2011 (see Minco's Annual Report announcement of 30 June 2011). This implies the effective reduction of about 2 million tonnes in the Tobermalug-NWX zones. The definition drilling to date in 2011 has yet to result in any significant change in average resource grade and has resulted in a reduction of the area, and hence tonnage, of the resource estimated at a 6 per cent. zinc equivalent cut-off and, in some places, a break-up of this higher grade mineralisation into smaller lenses.

Cut-off	*Tonnes*	*Zn* *(%)*	*Pb* *(%)*	*Zn+Pb* *(%)*
30 April 2011				
(not JORC compliant)				
4% Zn_{eq}	27,800,000	7.40	1.34	8.73
6% Zn_{eq}	19,000,000	8.73	1.60	10.33
31 December 2010				
4% Zn_{eq}	25,900,000	7.51	1.38	8.89
6% Zn_{eq}	17,600,000	8.96	1.72	10.68

Geophysical Survey

A preliminary test geophysical survey using 2D ground seismic, designed to provide additional identification of the Ballyneety Fault at depth, was completed over four traverse lines around the Caherconlish area in March 2011.

A review of the data undertaken by Minco's geophysical consultant suggests that one of the primary objectives of the survey, (identifying a major fault system at debt) was not achieved due to many disruptions in the migrated seismic traces, plus uncertainties in assigning lithological correlation along with significant lateral changes in seismic character, which give rise to considerable uncertainties in the seismic interpretation, and especially in attempts to identify faults. It was also noted that there is little correlation between migrated seismic traces on the cross lines with respect to those on the tie line where they intersect.

Xtierra Inc.

Minco holds 30 million shares (29 per cent. as at 30 June 2011) of Xtierra Inc., a Canadian company listed on the TSX Venture Exchange (Toronto), which holds interests in base and precious metal mineral deposits on properties located in the Central Mexican Mineral Belt, in and around the States of Zacatecas and San Luis Potosí, Mexico. This area has produced the bulk of Mexico's silver production from the early colonial period to the present day and hosts many world-class silver and base metal deposits.

Xtierra was established in 2008 by the directors of Minco specifically to facilitate the financing and development of Minco's Mexican exploration properties without further dilution to Minco's shareholders. In August 2008, Minco effected the reverse takeover of Xtierra whereby Xtierra acquired all of Minco's Mexican assets in exchange for the issue of 30 million shares to Minco.

At 31 December 2009 and 2010, Minco held 30 million shares in Xtierra representing a 60 per cent. and 35 per cent. interest respectively. As a result of share placements during 2010, Minco's interest in Xtierra was reduced to 35 per cent. As a result, for accounting purposes, Xtierra ceased to be a subsidiary and became an associate of the Minco. Following share placements in early 2011 and the conversion of outstanding warrants, Minco's interest in Xtierra was further reduced to 29.5 per cent. at 1 March 2011 and 29.0 per cent. at 30 June 2011.

The carrying value of Minco's interest in Xtierra was US$3.9 million at 30 June 2011, compared to US$4.5 million at 31 December 2010. However the fair value of the group's interest in Xtierra as at that same dates was US$10.1 million and US$12.9 million, respectively, and was as high as US$19.5 million in March 2011.

Xtierra's Projects consist of:

- The *Bilbao Project*, a polymetallic sulphide and oxide replacement deposit upon which Xtierra has delineated a NI 43-101 compliant indicated resource of zinc-lead-silver-copper of 10.62 million tonnes with a total metal content as zinc equivalent of 688,258 tonnes Zn_{eq}.

  Xtierra is currently carrying out a Feasibility Study on the Bilbao deposit which still remains open to the southwest and exploration drilling has indicated a zone of high grade silver mineralization to the south of the outlined open pit resource

- The *La Laguna Pedernalillo (Laguna) Tailings Project* – a silver-gold-mercury tailings reprocessing project upon which Micon International completed a bankable feasibility study in 2006 and in February 2008 revised a NI 43-101 compliant reserve (Proven and Probable) of 6,799,000 tonnes at 57.92g/t silver, 0.31g/t gold and 328.92g/t mercury;

- *El Dorado Gold Exploration Project* – the El Dorado gold project comprising 2,890 hectares of mining claims is located in the Pinos district of southeastern Zacatecas State, Mexico.

- *Exploration Properties* covering approximately 12,267 hectares in three groupings identified as the Villa de Ramos, El Morro, Orca 3 property in the Pinos district and Milagros Properties in the Panfilo Natera Mining District of Zacatecas and neighbouring San Luis Potosi, in the general vicinity of the Bilbao Project.

Bilbao Silver-Zinc-Lead-Copper Deposit

The Bilbao Property is located approximately 500km northwest of Mexico City in the southeastern part of the State of Zacatecas and 50km east of the state capital, Zacatecas. The Bilbao deposit is a sulphide replacement deposit with a skarn overprint and is located adjacent to the La Blanca granodiorite. The upper 70–90 metres of the deposit have been oxidised. Prior to Minco's involvement at Bilbao in 2006, no drilling was carried out although historical, intermittent mining of a direct shipping ore may have amounted to 1 million tonnes of the near surface oxide mineralization.

Feasibility Study

A Feasibility Study on the Bilbao property is in its final phase of completion. In July 2010, Xtierra retained Dowding, Reynard and Associates (DRA), a recognized leader in the field of mine design, mine engineering, mineral process design, project management and mine construction to oversee and complete the Bilbao Feasibility Study. DRA is involved in oversight of all of the component parts of the feasibility study.

DRA is managing the commissioning and operation of a pilot plant designed to test the recovery process for the near surface oxide ores at Bilbao. Xtierra has also retained Golder Associates to advise on tailings disposal design work. Completion of the feasibility study is expected to take approximately three months after completion of the oxide pilot plant and sulphide locked cycle test programs. Most of the key component parts of the Feasibility Study have been completed or are near completion and awaiting final outputs from ongoing metallurgical test work. A final production decision is anticipated following its completion in Q1 2012.

Metallurgical Testing: The metallurgical test work to finalize flow sheet design for processing the oxide portion of the deposit (approximately 35 per cent. of the total indicated resources) has been delayed by about six months due to a number of issues including late delivery of equipment, mechanical and electrical issues and availability of certified laboratory testing facilities and related personnel. Once current open cycle test work being conducted at SGS Laboratories at Lakefield, Ontario is completed in Q3, locked cycle test work will be undertaken. The results of this locked cycle test work will be used for final design/construction of the oxide pilot plant and eventually final design inputs for the commercial scale processing plant and tailings treatment/disposal options.

Pilot Plant – Oxide Ore: The pilot plant test work comprises several component parts, including: (1) bulk sampling and preparation of composite samples; (2) crushing, milling and pre-concentration; (3) process stage of acid leaching, flotation and cyanidation; (4) confirmation of recovered grades and marketing of iron oxide in the reject magnetic material to the cement industry. The full implementation of the pilot plant test work has been delayed by about six months. However, the bulk sampling and preparation of composite sampling, crushing, milling and pre-concentration stage using a wet high intensity magnetic separator (WHIMS) were completed during the period. The open cycle and locked cycle metallurgical test work on the oxide ore along with calcite flotation test work is near completion.

Optimization flotation test work on the sulphide ore will be undertaken in Q4. Fresh samples have been obtained from core drilling in representative areas of the sulphide ore zones. These samples have been delivered to SGS in Lakefield and the test work will begin in early October.

Oxide Ore Process Stage – Fabrication of the tanks, agitators, flotation cells, including electric controls for a 20 kg/hr process plant, has been completed. Once the locked cycle bench scale test work has been completed, the balance of the pilot plant will be finalized, installed and commissioned to process the batched whole ore.

Resources: A new independent resource estimate was prepared by R.T.G. Parker, C.Eng., an independent consulting mining geologist, in May 2011. Mr. Parker is a 'Qualified Person' within the meaning of NI 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators. Mr. Parker also prepared the previously published resource estimates for the Bilbao project (November 2008 and February 2010).

Resource Category	*Tonnes (millions)*	*Lead (%)*	*Copper (%)*	*Zinc (%)*	*Silver (gpt)*
Indicated Resources	10.62	2.00	0.19	2.13	53.81
Inferred Resources	0.43	1.73	0.18	1.44	46.39

The 2011 resource estimate, which includes all drilling completed to the end of 2010, records a 10 per cent. higher Indicated tonnage (10.6Mt) from the previous February 2010 estimate (9.7Mt) and represents a 6 per cent. increase in total metal content, as zinc equivalent, from 650,565 tonnes Zn_{eq} to 688,258 tonnes Zn_{eq}. This is due principally to the inclusion of 2010 drilling results allowing conversion of inferred resources to the indicated category. The difference is due in part to the elimination of all of the voids due to previous historic mining activity and to the adoption of smaller parent block size and tighter wireframe constraints.

Sulphide resources represent 50 per cent. of the resource in the indicated category (up from 35 per cent. in the 2010 estimate), mixed oxide and sulphide resources represent 15 per cent. (down from 22 per cent.) and oxide resources represent 35 per cent. (down from 43 per cent.) of the total Indicated Resource. Potential to increase the Bilbao resource exists, particularly at depth to the south and southwest where drill-hole X81 on the margin of the drill grid, intersected 6.15 metres grading 6.66 per cent. Zn_{eq}.

Exploration Drilling at Bilbao

In June and July, 2011, Xtierra announced results of a preliminary program of drilling in the southern part of the Bilbao project to investigate two types of silver-rich targets located immediately to the south of the main Bilbao deposit. The targets, all with high grade silver content, comprised high angle hydrothermal veins and brecciated limestone horizons. Six separate mineralized veins and/or fault-fillings were identified. Four of the mineralized fault structures trend NNW-SSE while another two veins strike NNE-SSW. The former have strong base-metal values while the later contain silver values of up to 664g/t silver and have been traced over a strike length of at least 70 metres and remain open-ended.

The holes were targeted to assist in determining the characteristics and continuity of the high grade silver veins previously found in drill-hole X26 at the southern margin of, and beneath, the main Bilbao deposit. The width of these structures varies, with veins averaging about 1 metre true thickness and fault-fillings up to 12 metres in thickness.

The NNW-SSE structures typically contain higher base-metal values with combined zinc and lead values of 14.95 per cent. (4.85 per cent. lead and 10.10 per cent. zinc) including 0.31 per cent. copper and 97.9g/t silver over 4.65 metres in DDH X86-B; 21.39 per cent. combined zinc and lead (9.96 per cent. lead and 11.43 per cent. zinc) including 0.27 per cent. copper and 127.6g/t silver over 1.05 metres in DDH X86A; and in DDH X86B-1 there is an intersection of 12.10 metres with average grades of 9.08 per cent. combined zinc and lead (4.17 per cent. lead, 4.91 per cent. zinc) including 0.63 per cent. copper and 109.4g/t silver.

Drilling has shown that the richer silver veins trend NNE-SSW, a direction which accords with similar vein trends to the north of the Bilbao deposit, within the La Blanca granite.

Discovery of this zone of silver-rich veins beneath and in addition to the main skarn-replacement zinc-silver-lead-copper mineral deposit at Bilbao is expected to contribute to both tonnage and silver content of the resource. Additional drilling will be required before any new resource estimate can be made and this drilling program is expected to commence in October 2011.

La Laguna Pedernalillo (Laguna) Tailings Project

Through its Mexican subsidiary, Minera Orca S.A de C.V., ("Minera Orca"), Xtierra holds an extraction licence granted by Conagua, the Mexican authority responsible for water resources, for the silver-rich La Laguna Pedernalillo ("Laguna") tailings deposit located near the city of Zacatecas in Mexico. The Laguna deposit comprises tailings solids derived from historic mine processing wastes and tailings located some distance from a dam constructed in 1836 to retain water for agricultural use.

The mineral reserve as estimated by Micon International totals 6.8 million tonnes containing an average of 57.92 g/t silver, 0.31 g/t gold and 328.92 g/t mercury. Micon estimated total capital cost of $34,203 (comprised of $17,537 direct costs together with indirect and owner's cost of $7,743, and an additional $8,923 is estimated for pre-production cost for the tailings area to bring the project into production). These costs are as of January 2006. Further optimisation studies have been undertaken by Xtierra and additional leach test work has been carried out with respect to evaluating a static vat leach process using calcium thiosulphate to recover silver, gold and mercury. Results of such test work have been positive.

Xtierra has undertaken a program of community consultation and intends to negotiate and enter into memoranda of understanding and, later, impact benefits agreement, with the Ejido Pedernalillo community living adjacent to, or having an interest in or claims to, agricultural lands surrounding the Laguna Project Area or who may be impacted by the Laguna Project. Preliminary discussions have been initiated and are in progress.

Xtierra will seek to advance the Laguna Project through additional metallurgical testing and updating of an earlier feasibility study, either directly or through other farm-out or joint venture arrangements.

El Dorado Gold Project

The El Dorado gold project is located in the Pinos district of south-eastern Zacatecas State, Mexico. The project comprising 2,890 hectares of mining claims is located in the Pinos district of the Central Mexican Mineral Belt and some 80 kilometres southeast of the Bilbao silver-zinc-lead-copper development project. The El Dorado property is located 7 kilometers northeast of the historic Pinos gold deposits where veins with reported bonanza grades of more than 200g/t gold were mined historically on northwest striking veins. It is located close to Xtierra's existing Orca 3 property in the Pinos district.

Historic records suggest the average mined grade was 97 g/t silver and 58.26 g/t gold. The property has an existing small-scale underground gold mining operation developed on one level of the El Dorado vein.

Xtierra completed an initial five hole 1,385 metre underground and surface drill program on the property in 2010. Work completed by Xtierra resulted in the discovery of an extensive gold-bearing stockwork encompassing the El Dorado vein and several other parallel structures. Sampling confirmed the high grade nature of the El Dorado vein with channel sampling returning values ranging from 0.5 to 57.0 g/t gold over widths of 0.10 to 1.0 metre with individual grab samples as high as 1,760 g/t gold and 3,590 g/t silver.

Additional surface exploration work including geochemical sampling and trenching is planned for Q4 ahead of a planned drill programme.

Qualified Person

The above information has been reviewed and verified by Mr. Terence N. McKillen, B.A. (MOD), M.A., M.Sc., P. Geo, Chief Executive Officer. Mr. McKillen is the Qualified Person for the purposes of the AIM Guidance Note on Mining, Oil and Gas Companies dated March 2006. Mr. McKillen is a graduate in Natural Sciences (Geology) from Trinity College Dublin and holds a Master of Science degree in Mineral Exploration and Mining Geology from the University of Leicester. He has 40 years of exploration experience in Ireland and internationally.

FINANCIAL RESULTS

Minco recorded a consolidated loss for the six months ended 30 June 2011 of US$1,163,000, up from US$445,000 in the same period in 2010. The main component of the loss was the amount of US$598,000 representing the Company's equity accounted share of Xtierra's loss for that period, compared to US$107,000 in the same period in 2010. General and administrative expenses for the first six months of 2011 were US$383,000 compared to US$752,000 in the first six months of 2010. The conversion of some assets and liabilities to US dollars, resulted in a foreign exchange loss of $183,000 for the six month period ended 30 June 2011.

Total assets increased by US$2.9 million from US$19.4 million at 31 December, 2010 to US$22.3 million at 30 June 2011, largely as a result of the increase in cash and cash equivalents following the placement of shares for cash.

Cash and cash equivalents increased from US$1.2 million at 31 December 2010 to US$2.3 million at 30 June 2011. Intangible assets increased from US$11.8 million to US$14.2 million as a result of additions of US$1.369 million and a foreign exchange movement of US$1.051 million as a result of the strengthening of the Euro against the US Dollar. At 30 June 2011, the Company had working capital of US$1.3 million, compared to US$0.9 million at 31 December 2010.

COMPANIES REGISTRATION OFFICE

In May 2011, following a complaint from a shareholder, the Office of the Director of Corporate Enforcement ("ODCE") wrote to the Secretary of the Company enquiring about the Company's failure to file certain forms and returns with the Companies Registration Office ("CRO"). Upon checking the Company noted that it had inadvertently omitted to file a number of forms and returns. The Company instructed its Solicitors to immediately take care of any outstanding filings. These forms and returns have all since been filed and the Company's filings with the CRO are now up to date.

On 23 August 2011, the ODCE informed Minco's Solicitors that the filing of the outstanding forms had been noted and that the ODCE's file on this matter had been closed. In a letter dated 23 August 2011, addressed to the shareholder who had filed the complaint, the ODCE notified the shareholder that the substantive matter of the Company's failure to file forms B5 had been rectified to the satisfaction of the Director of Corporate Enforcement and that the file on this case was now closed.

Approval by Directors

The Interim Report for the six months to 30 June 2011 was approved by the Directors on 29 September 2011.

Copies of this announcement will be posted on the Company's website at www.minco.ie and will be available for inspection at the Company's registered office at Connaught House, Burlington Road, Ballsbridge, Dublin 4, Ireland.

MINCO PLC

Minco Plc is an AIM quoted precious and base metals exploration and development company engaged in zinc exploration on the Pallas Green property in Ireland in a 23.6 per cent./76.4 per cent. joint venture with Xstrata Zinc (which Minco has conditionally agreed to sell to Xstrata) and indirectly on base metal and silver projects in Mexico, through its shareholding in Xtierra Inc. listed on the TSX Venture Exchange (Toronto) under the symbol "XAG".

For further information, www.minco.ie or contact:

John Kearney: *Executive Chairman*	+1 416 362 6686
Terence McKillen: *Chief Executive*	+1 416 362 8243
Danesh Varma: *CFO & Company Secretary*	+44 (0) 8452 606 034
Minco – Ireland Contact: Peter McParland	+353 (0)46 907-3709
John Frain/Fergal Meegan: (NOMAD) Davy	+353 (0)1 6796363
Barry Gibb/Saif Janjua: *(Corporate Advisor/Broker)* Beaufort International	+44 (0)20 7930 8222

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2011

	Notes	*Six months ended 30 June 2011 US$'000*	*As Restated (Note 11) Six months ended 30 June 2010 US$'000*
Continuing operations			
General and administrative expenses	6	(383)	(752)
Foreign exchange (loss)/gain		(183)	15
Operating loss		(566)	(737)
Loss on deemed disposal of subsidiary	10	–	(214)
Gain on derivative financial instruments		–	613
Interest income		1	–
Share of loss of associate	10	(598)	(107)
Group loss for the period		(1,163)	(445)
Loss attributable to:			
Equity holders of the parent company		(1,163)	(394)
Non controlling interest	9	–	(51)
Group loss for the period		(1,163)	(445)
Other Comprehensive Income			
Exchange differences on translation of foreign operations		–	(1,498)
Total comprehensive loss for the period		(1,163)	(1,943)
Loss per share			
Basic and diluted (cents per share)	7	(0.36)	(0.17)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2011

	Notes	*30 June 2011 US$'000*	*31 December 2010 US$'000*
Assets			
Non-current assets			
Intangible assets	8	14,243	11,823
Investment in associate	10	3,917	4,515
Financial asset receivable	12	1,715	1,715
Total non-current assets		19,875	18,053
Current assets			
Trade and other receivables	13	93	114
Cash and cash equivalents	14	2,325	1,226
Total current assets		2,418	1,340
Total assets		22,293	19,393
Equity and liabilities			
Capital and reserves			
Share capital	16	7,676	7,205
Share premium		27,676	26,073
Capital conversion reserve fund		39	39
Foreign currency translation reserve		3,183	1,939
Share-based payment reserve		93	80
Retained deficit		(17,525)	(16,362)
Total equity		21,142	18,974
Current liabilities			
Trade and other payables	15	1,151	419
Total equity and liabilities		22,293	19,393

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2011

	Share Capital US$'000	*Share Premium US$'000*	*Capital Conversion Reserve Fund US$'000*	*Foreign Currency Translation Reserve US$'000*	*Share based payment Reserve US$'000*	*Retained Deficit US$'000*	*Attributable to equity holders of the parent US$'000*	*Non Controlling Interest US$'000*	*Total US$'000*
Balance as at 31 December 2009	5,269	22,765	39	5,555	1,320	(16,977)	17,971	5,739	23,710
Proceeds on share issue	1,936	3,521	–	–	–	–	5,457	–	5,457
Share issue costs	–	(213)	–	–	–	–	(213)	–	(213)
Share-based payments expired	–	–	–	–	(533)	533	–	–	–
Recognition of share-based payments	–	–	–	–	336	–	336	–	336
Foreign currency reserve adjustment	–	–	–	(1,988)	–	1,988	–	–	–
Total comprehensive loss for year	–	–	–	(1,498)	–	(1,906)	(3,404)	(51)	(3,455)
Deemed disposal of subsidiary	–	–	–	(130)	(1,043)	–	(1,173)	(5,688)	(6,861)
Balance as at 31 December 2010	7,205	26,073	39	1,939	80	(16,362)	18,974	–	18,974
Proceeds on share issue	471	1,708	–	–	–	–	2,178	–	2,178
Share issue costs	–	(105)	–	–	–	–	(105)	–	(105)
Recognition of share-based payments	–	–	–	–	13	–	13	–	13
Total comprehensive loss for period	–	–	–	1,244	–	(1,163)	81	–	81
Balance as at 30 June 2011	7,676	27,676	39	3,183	93	(17,525)	21,142	–	21,142

Share Capital

The share capital comprises of share capital issued for cash and non cash considerations.

Share premium reserve

The share premium reserve comprises of the excess of monies received in respect of share capital over the nominal value of shares issued less cost of issue.

Capital conversion reserve fund

The ordinary shares of the company were renominalised from €0.0126774 each to €0.0125 each in 2002 and the amount by which the issued share capital of the company was reduced was transferred to the capital conversion reserve fund.

Foreign currency translation reserve

Exchange differences arising on the re-translation of monetary items are included in the income statement for the period except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised directly in equity.

Share-based payment reserve

The share-based payment reserve represents the amount expensed to income statement of share based payments granted which are not yet exercised and issued as shares.

Retained losses

Retained losses comprise accumulated profit and loss in the current and prior years.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2011

	Notes	*Six months ended 30 June 2011 US$'000*	*As Restated (Note 11) Six months ended 30 June 2010 US$'000*
Cash flow from operating activities			
Loss for the period		(1,163)	(445)
Share-based payments		13	437
Loss on deemed disposal of subsidiary		–	214
Share of loss of associate		598	107
Gain on derivative financial instruments		–	(613)
Currency translation movements		174	(170)
Interest income		(1)	–
		(379)	(470)
Movements in working capital			
Decrease in trade and other receivables		21	23
Increase in trade and other payables		732	147
Net cash used in operating activities		374	(301)
Cash flows from investing activities			
Interest income		1	–
Payments for intangible assets		(1,369)	(2,124)
Net cash used in investing activities		(1,368)	(2,124)
Cash flows from financing activities			
Proceeds from issue of equity shares in the parent		2,179	2,876
Transaction costs of issue of shares		(105)	(134)
Loss of control on deemed disposal		–	(1,222)
Net cash generated by financing activities		2,074	1,521
Net decrease in cash and cash equivalents		1,080	(904)
Translation adjustment		19	(31)
Cash and cash equivalents at the beginning of the financial year		1,226	1,678
Cash and cash equivalents at the end of the period	14	2,325	743

Notes to the Condensed Consolidated Financial Statements
For the Six-Month Period ended 30 June 2011

1. STATEMENT OF ACCOUNTING POLICIES

The condensed consolidated financial statements for the six month period ended 30 June 2011 have been prepared using accounting policies consistent with International Financial Reporting Standards, and in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, and as such should be read in conjunction with the Company's audited consolidated financial statements for the year ended 31 December 2010. The financial statements are presented in US Dollars, rounded to the nearest thousand (US$'000) except where otherwise indicated.

These condensed consolidated financial statements incorporate the financial statements of Minco PLC ("the Company") and its subsidiaries, together ("the Company") as at 30 June 2011.

Subsidiaries are entities over which the Company has the ability to govern the financial and operating policies in order to obtain benefits from their activities.

The interim unaudited results have been prepared under the historical cost convention except for the revaluation of financial instruments. The comparative financial information set out in this report is based on the financial statements of the Company which were prepared in accordance with accounting policies adopted in the audited accounts for the year ended 31 December 2010, may be inspected on the Company's website and has been sent to all shareholders.

The interim report is unaudited and does not constitute Statutory Accounts as defined in S.148 of the Companies Act 1963. A copy of the Company's Statutory Accounts for the year ended 31 December 2010 has been or will be filed with the Companies Registration Office in Ireland.

2. STANDARDS AND INTERPRETATIONS IN ISSUE BUT NOT YET ADOPTED

The Company did not adopt any new International Financial Reporting Standards (IFRSs) or Interpretations in the period that had a material impact on the Company's Financial Statements.

The following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IAS 12 (Amendment) Deferred Tax: Recovery of Underlying Assets (effective for accounting periods beginning on or after 1 January 2012);

IFRS 1 (Amendment) Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective for accounting periods beginning on or after 1 July 2011);

IFRS 1 (Amendment) Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters (effective for accounting periods beginning or after 1 July 2010);

IFRS 7 (Amendment) Disclosures – Transfer of Financial Assets (effective for accounting periods beginning on or after 1 July 2011);

IFRS 9 (Amendment) Financial Instruments, (effective for accounting periods beginning on or after 1 July 2013);

IAS 24 (Revised Nov. 2009) Related Party Disclosures (effective for accounting periods beginning on or after 1 January 2011);

IAS 32 (Amendment) Classification of Rights Issues (effective for accounting periods beginning on or after 1 February 2010);

IFRIC 14 (Amendment) Prepayments of a Minimum Funding Requirement (effective for accounting periods beginning on or after 1 January 2011);

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective for accounting periods beginning on or after 1 July 2010);

Improvements to IFRS 2010 (effective for accounting periods beginning on or after 1 January 2011);

The Company has not yet determined the impact of these amendments on its financial statements.

3. GOING CONCERN

The Company incurred a consolidated loss for the six month period ended 30 June 2011 of US$1,163,000 and had a retained earnings deficit of US$17,525,000 at that date. These conditions indicate the existence of a material uncertainity which may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuance as a going concern is dependant upon its ability to obtain adequate financing and to reach profitable levels of operation.

The Company has relied on share placements to raise its required financing. The Company raised £1,329,000 (US$1,858,000) in early 2011, with the intention of using these proceeds to fund in part its share of ongoing Pallas Green Joint Venture expenditures and corporate expenses. At 30 June 2011 the Company held US$2.3 million in cash and cash equivalents and had working capital of US$1.3 million.

The Manager of the Pallas Green Joint Venture has presented a budget for 2011 of €13 million, of which the Company's share at 23.6 per cent. is €3.1 million (US$4,300,000). Minco has not agreed to the proposed 2011 programme and budget. Minco has contributed €450,000 (US$648,000) and has agreed to contribute a further €450,000 (US$648,000), which is included in accounts payable.

The Company does not currently have sufficient funding to finance its full share of the Manager's proposed 2011 budget, which amounts to US$4,300,000 of which US$648,000 has been paid. If Minco were to fully participate in the full 2011 program it would be required to contribute a further US$3,652,000. It will also be necessary to raise additional funds to finance the Company's share of the 2012 budgeted expenditure in the event the Company continues to participate in the Joint Venture. If the Company does not participate in some or all of the proposed 2011 programme or subsequent programmes, the Company's interest in the Pallas Green Joint Venture will be diluted accordingly.

Minco announced on 13 July 2011 that it had entered into a conditional agreement, subject to approval of Minco shareholders and receipt of other regulatory approvals and consents, for the sale of Minco's interest in the Pallas Green Project to Xstrata for a cash payment of US$19.4 million.

The Company must rely on obtaining financing in the form of equity and/or debt. The Company holds 30,000,003 shares in Xtierra Inc., which had a market value at 30 June 2011 of Cdn$9,900,000 (US$10,138,000). At 30 June 2011, Xtierra held cash and cash equivalents of US$9,211,000. The Company may consider selling all or part of its investment in Xtierra. Juno Limited, a significant shareholder, has provided written confirmation that if necessary it will provide adequate working capital for corporate expenses to enable the Company to continue as a going concern for the foreseeable future. Juno Limited is a company significantly influenced by Danesh Varma, a director of the Company.

It is not possible at this stage to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. The Directors believe that the above sources of funds will enable the Company to continue in operational existence for the foreseeable future and continue to meet its committed obligations as they fall due. As in previous years the Directors have given careful consideration to the appropriateness of the going concern basis in the preparation of the financial statements and believe the going concern basis is appropriate for these financial statements. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

4. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel

The remuneration of Directors, who are the key management personnel of the Company, is set out below in accordance with IAS 24 'Related Party Disclosures'. The remuneration of key management personnel includes remuneration paid by the Company for 2011, and by both the Company and Xtierra Inc. for 2010.

Directors Remuneration	*Salaries in cash US$'000*	*Fees in cash US$'000*	*Options US$'000*	*Total 30 June 2011 US$'000*	*Salaries in cash US$'000*	*Fees in cash US$'000*	*Options US$'000*	*Total 30 June 2010 US$'000*
John Kearney	–	–	3	3	–	–	5	5
Terence McKillen	–	–	5	5	–	18	87	105
Danesh Varma	44	–	5	49	41	10	20	71
Peter McParland	–	–	–	–	–	–	–	–
Michael Power	–	–	–	–	–	–	–	–
Total	44	–	13	57	41	28	112	181

No directors fees were paid by the Company to any director of the Company in the six months ended 30 June 2011 or in the year ended 31 December 2010.

No salaries or other remuneration were paid by the Company to any directors of the Company in the six months ended 30 June 2011 or 30 June 2010, other than to Danesh Varma, Finance Director and Secretary of the Company who was paid an amount of £4,500 (US$7,300) per month, or US$44,000 for the six months period ended 30 June 2011.

Terence McKillen was paid fees by Xtierra in his capacity as President and CEO of Xtierra in 2010 and 2011.

The option vesting expense for the six months ended 30 June 2011 was US$13,000 in respect of 3,250,000 options outstanding at 30 June 2011 which were granted in December 2007. The vesting period for stock options granted is seven years.

The option vesting expense for the six months ended 30 June 2010 of US$112,000 included US$93,000 expense on stock options granted by Xtierra.

During the period ended 30 June 2011, the Company also made advances to its subsidiaries of US$1,608,000 to Minco Ireland and US$52,000 to Orca Mining Mexico, a wholly-owned subsidiary.

5. SEGMENTAL ANALYSIS

Segment Result

	30 June 2011 US$'000	*As Restated (Note 11) 30 June 2010 US$'000*
Continuing Operations		
Ireland	(565)	(394)
Mexico	(598)	(51)
Total for continuing operations	(1,163)	(445)
Unallocated	–	–
Income tax	–	–
Loss for the year	(1,163)	(445)
Consolidated loss	(1,163)	(445)

There was no revenue earned during the year.

Segment assets and segment liabilities

	Assets		*Liabilities*	
	30 June 2011 US$'000	*31 December 2010 US$'000*	*30 June 2011 US$'000*	*31 December 2010 US$'000*
Ireland	16,661	14,878	(1,151)	(419)
Mexico	5,632	4,515	–	–
Consolidated	22,293	19,393	(1,151)	(419)

	Depreciation and amortisation		*Additions to non-current assets*	
	30 June 2011 US$'000	*31 December 2010 US$'000*	*30 June 2011 US$'000*	*31 December 2010 US$'000*
Ireland	–	–	1,369	2,788
Mexico	–	–	–	–
	–	–	1,369	2,788

	Impairment of intangible assets		*Impairment on receivables*	
	30 June 2011 US$'000	*31 December 2010 US$'000*	*30 June 2011 US$'000*	*31 December 2010 US$'000*
Ireland	–	–	–	–
Mexico	–	–	–	–
	–	–	–	–

6. OPERATING LOSS

Operating loss is stated after charging the following items:

	30 June 2011 US$'000	*As Restated (Note 11) 30 June 2010 US$'000*
Directors' remuneration (see note 4)	57	181
Auditor's remuneration	54	40
Administrative expenses of the Group comprise:		
Professional fees	208	131
Company Directors' remuneration charged to statement of comprehensive income	44	41
Share-based payments	13	437
Office expenses	20	31
Investor and Public Relations	60	90
Other administration expenses	39	22
	383	752
Loss on deemed disposal of subsidiary (Note 10)	–	214
	–	214

7. LOSS PER SHARE

Basic loss per share is computed by dividing the loss after taxation for the year available to ordinary shareholders by the sum of the weighted average number of ordinary shares in issue and ranking for dividend during the year. Diluted loss per share is computed by dividing the loss after taxation for the year by the weighted average number of ordinary shares in issue, adjusted for the effect of all potential dilutive ordinary shares that were outstanding during the year. Basic and diluted losses per share are the same, as the effect of the outstanding share options is anti-dilutive, and is therefore excluded. The computation for basic and diluted loss per share is as follows:

	30 June 2011 US$'000	*As Restated (Note 11) 30 June 2010 US$'000*
Numerator		
Loss for the period attributable to equity holders of the parent company	(1,163)	(394)
	30 June 2011 No. of Shares	*30 June 2010 No. of Shares*
Denominator		
Weighted average number of shares	320,261,013	234,990,857
Basic and diluted loss per share (US cents per share)	(0.36)	(0.17)

8. INTANGIBLE ASSETS

	30 June 2011 US$'000	*30 December 2010 US$'000*
Exploration and evaluation assets		
Cost:		
At the beginning of the period	11,823	24,300
Additions during the period	1,369	2,788
Deemed disposal of subsidiary	–	(14,485)
Foreign exchange movement	1,051	(780)
At the end of the period	14,243	11,823
Carrying amount:		
At the end of the period	14,243	11,823
At the beginning of the period	11,823	24,300

As a result of the issue of shares in a financing completed by Xtierra during 2010, Minco's percentage interest in Xtierra was reduced which, for accounting purposes, is recorded as a deemed disposal of subsidiary in the amount of $14,485. Minco did not sell any shares of Xtierra and continues to hold 30 million shares at 30 June 2011.

All exploration and evaluation assets are carried at cost less any applicable impairment provision. The Directors have reviewed the exploration and evaluation assets at 30 June 2011 and are satisfied that the fair value is not less than the carrying amount and that the exploration projects have potential to achieve mine production and positive cash flows. No other impairment provision has been recognised.

The conversion of intangible assets from the local currency to US Dollars causes foreign exchange movements. During the period ended 31 December 2010, the carrying value of intangible assets was reduced by US$780,000 as a result of the strengthening of the US Dollar against the Euro and at 30 June 2011, the carrying value of intangible assets was increased by US$1,051,000 due to the strengthening of the Euro against the US Dollar.

Minco's 23.6 per cent. jointly controlled Pallas Green operation with Xstrata Zinc covers exploration licences, totaling 294 square kilometres located on the southern boundary of the Irish Midland orefield between Limerick and Tipperary. Drilling to date has resulted in the discovery of four major sulphide lenses at Tobermalug, Caherconlish South, Knockroe and Srahane West.

The Company's activities are also subject to a number of significant potential risks including:

- Exploration, development and operating risk
- No assurance of production
- Environmental risks and hazards
- Government regulation and permitting
- Infrastructure requirements
- Price volatility of publicly traded securities
- Fluctuating mineral prices
- Foreign currency exchange movements
- Failure to obtain additional financing

The Company conducts its business as a single operating segment being the mineral exploration and development activity in the Pallas Green Project. All mineral properties and equipment are situated in Ireland.

9. NON CONTROLLING INTERESTS

The opening amount in non controlling interests at 1 January 2010 was US$5,739,000. The loss for the period ended 30 June 2010 attributable to non controlling interests amounted to US$51,000, and this reduced the amount in non controlling interests at 1 March 2010 to US$5,688,000. This loss related to the period from 1 January 2010 to 1 March 2010, which was the date that the Company was deemed to have lost control of Xtierra when its shareholding interest in Xtierra was diluted below 50 per cent. As a result of the loss of control, US$5,688,000 was transferred to the statement of comprehensive income and is included in the loss on the deemed disposal. See Note 10.

10. INVESTMENT IN ASSOCIATE

At 30 June 2011, the Company held a 29.0 per cent. interest in Xtierra Inc., a company registered in Ontario, Canada, which is independently managed and is accounted for in these financial statements as an associate company. The fully diluted interest of the Company in Xtierra at 30 June 2011 was 23.7 per cent. Xtierra is the 100 per cent. owner and operator of a number of mineral properties in Mexico. At 31 December 2009, the Company's interest in Xtierra was 60 per cent.; however following the issue of 25,005,000 shares by Xtierra in 2010, the Company's interest in Xtierra was reduced to 35.3 per cent. Minco Plc was deemed to have lost control of Xtierra on 1 March 2010 when its shareholding interest was diluted below 50 per cent.

	2011 US$'000	2010 US$'000
Values in Group financial statements:		
Investment in associate as at 1 January 2011	4,515	N/A
Total net assets of subsidiary at 1 March 2010	N/A	13,061
Value of investment in Xtierra Inc. at 1 March 2010		
30,000,003 shares at Cdn$0.21 - converted to US$	–	5,986
Reversal of Minority Interest	–	5,688
Reversal of share option reserve	–	1,043
Foreign exchange movement	–	130
Loss on disposal	N/A	(214)
Company's share of loss in Xtierra – 1 March to 30 June 2010	(598)	(107)
Investment in associate as at 30 June 2011 and 2010	3,917	5,878
Company's share of loss in Xtierra – 1 July to 31 December 2010	N/A	(1,363)
Investment in associate as at 31 December 2010	N/A	4,515
Fair value of Group's interest based on market price of associate's quoted shares at 30 June 2011 and 2010 30,000,003 shares (converted to US$)	10,138	3,434
Values as shown in the accounts of the associate at 30 June 2011 and 2010:		
Total assets	28,100	20,282
Total liabilities	(5,022)	(2,814)
Total net assets	23,078	17,468
Total loss of associate for the six month period	(2,060)	(141)
Value of Group's share of net assets of the associate	6,699	6,932

The associated undertakings of the Company at 30 June 2011 were as follows:

Name of Company	*Country of Incorporation*	*Percentage owned 30 June 2011*	*Percentage owned 31 December 2010*	*Principal activity*
Xtierra Inc.	Canada	29.0%	35.3%	Holding company for Orca Minerals Limited
Orca Minerals Limited	Canada	29.0%	35.3%	Holding company for Orca Gold International Limited
Orca Gold International Limited	Bahamas	29.0%	35.3%	Holding company for Mexican subsidiaries
Bilbao Resources S.A. de C.V.	Mexico	29.0%	35.3%	Exploration
Golden Dust S.A. de C.V.	Mexico	29.0%	35.3%	Exploration
Minera Orca S.A. de C.V.	Mexico	29.0%	35.3%	Exploration
Orca Mining Exploration S.A. de C.V.	Mexico	29.0%	35.3%	Exploration
Bilbao Mining S.A. de C.V.	Mexico	29.0%	35.3%	Exploration

11. RESTATEMENT

At 31 December 2009, the Company's interest in Xtierra was 60 per cent.; however following the issue of 25,005,000 shares by Xtierra on 1 March 2010, the Company's interest in Xtierra was reduced to 35.3 per cent. The financial statements as at 30 June 2010 were originally prepared on a consolidated basis consistent with the financial statements as at 31 December 2009. As the Company was subsequently deemed to have lost control of Xtierra effective 1 March 2010, the historical financial statements as at 30 June 2010 have been restated on an equity accounted basis. See Note 10.

12. FINANCIAL ASSETS RECEIVABLE

The financial statements include an amount receivable of US$1.715 metres in respect of the Company's 2007 disposal of its 50 per cent. interest in Minera Sisa to Minera Sisa SA de CV, net of an impairment provision of US$1,000,000 provided for in 2008. Minera Sisa SA de CV did not make the instalment payments which were due in 2008 or subsequent years. The Company has pursued legal proceedings to seek recovery of the amount due. In the event of non-payment Minco also has the legal right to reacquire a 50 per cent. interest in Minera Sisa for a consideration of US$2,500. All documents and reports have been filed with the First Commercial Court in Durango, Mexico. The Company's lawyers have requested the Judge to rule that the evidence period has concluded and to fix the period for final submissions. A legal opinion has been received that the Company has an enforceable claim and, based on the information available, the Directors do not believe that an additional impairment in respect of this receivable is required at this time.

13. TRADE AND OTHER RECEIVABLES

	30 June 2011 US$'000	*31 December 2010 US$'000*
Trade receivables and prepayments	93	114

Trade receivables are non-interest bearing and generally recoverable within 90 days. The carrying value of the receivables approximates to their fair value. In the opinion of Directors the amounts above are considered to be fully recoverable.

14. CASH AND CASH EQUIVALENTS

	30 June 2011 US$'000	*31 December 2010 US$'000*
Immediately available without restriction	2,325	1,226

Cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Where investments are categorised as cash equivalents, the related balances have a maturity of three months or less from the date of investment. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the cash requirements of the Company, and earn interest at the respective short-term deposit rates at floating rates.

The currency profile of cash and cash equivalents at the period end is as follows:

Group	*30 June 2011 US$'000*	*31 December 2010 US$'000*
Euro	412	39
US Dollars	1	1
Canadian Dollars	10	10
Sterling	1,903	1,176
	2,325	1,226

15. LIABILITIES

	30 June 2011 US$'000	*31 December 2010 US$'000*
Trade creditors and accruals	1,151	419

Trade creditors include €450,000 (US$648,000) payable to Xstrata in respect of the Pallas Green Joint Venture. See Note 3.

The directors consider that the carrying amounts of financial assets and financial liabilities recognized at amortized cost in the financial statements approximate their fair values.

16. SHARE CAPITAL

	Ordinary shares of €0.0125 each		*Deferred shares of €0.0625 each*		*Total*
Group and Company	*Number '000*	*Nominal value '000*	*Number '000*	*Nominal value '000*	*Nominal value '000*
Authorised share capital					
At 31 December 2010 and 30 June 2011	350,000	€4,375	38,000	€2,375	€6,750
Issued and fully paid					
At 1 January 2010	210,176	US$3,163	38,000	US$2,106	US$5,269
Issued during the year	113,434	US$1,936	–	–	US$1,936
At 31 December 2010	323,610	US$5,099	38,000	US$2,106	US$7,205
Issued during the period	26,389	US$471	–	–	US$471
At 30 June 2011	349,999	US$5,570	38,000	US$2,106	US$7,676

On 24 February 2011, the Company issued 448,000 new ordinary shares upon the exercise of 448,000 broker warrants at £0.03 per warrant for gross proceeds of £13,440.

On 4 April 2011, the Company issued 24,654,857 new ordinary shares at an issue price of £0.0525 per share for gross proceeds of £1,290,000. The Company also issued 1,286,770 shares upon the exercise of 1,286,770 broker warrants at £0.03 per warrant for gross proceeds of £38,600.

17. SUBSEQUENT EVENT

On 12 July 2011 the Company entered into a conditional agreement, subject to approval of Minco shareholders and receipt of other regulatory approvals and consents, for the sale of Minco's interest in the Pallas Green Project to Xstrata for a cash payment of US$19.4 million.

The proposed sale is subject to a number of conditions, including satisfactory due diligence by Xstrata, approval by the Board of Xstrata Zinc, approval by Minco's shareholders and receipt of other regulatory approvals and consents.

Approval by Directors

The Interim Report for the six months to 30 June 2011 was approved by the Directors on 29 September 2011.

Copies of this announcement will be posted on the Company's website at www.minco.ie and will be available for inspection at the Company's registered office at Connaught House, Burlington Road, Ballsbridge, Dublin 4, Ireland.

sterling 151757