MINCO PLC

MANAGEMENT DISCUSSION AND ANALYSIS

For the six month period ended June 30, 2014

Dated August 28, 2014

(Expressed in US Dollars, except per share amounts)

(Form 51-102F1)

Date: August 28, 2014

GENERAL

The following management discussion and analysis ("MD&A") of financial condition and results of operations of Minco plc ("Minco" or the "Company"), should be read in conjunction with the condensed interim consolidated financial statements and the notes thereto for the three and six month periods ended June 30, 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are stated in US dollars, unless otherwise noted.

COMPANY OVERVIEW

Minco Plc, incorporated in the Republic of Ireland and listed on the AIM Alternative Investment Market of the London Stock Exchange ("MIO"), is an exploration and development company, currently engaged in zinc-lead exploration in the United Kingdom, Canada and Ireland, and in evaluating a manganese project in New Brunswick, Canada and with investments in zinc-silver projects in Mexico through holding 30 million shares (approximately 26%) in Xtierra Inc. listed on the TSX Venture Exchange (TSX.V-"XAG").

Minco has recently completed a preliminary economic assessment of its 100% owned Woodstock manganese project in New Brunswick, Canada and is currently carrying out a pre-feasibility study on its Buchans zinc-lead project in Newfoundland, while continuing its zinc-lead exploration drilling at its Pennines project in Northern England.

Minco also holds a 2% NSR royalty on the Curraghinalt gold property in Northern Ireland, which is being explored by Dalradian Resources Inc. (TSX-"DNA").

WOODSTOCK MANGANESE PROJECT

On July 10, 2014, Minco announced the results of the positive Preliminary Economic Assessment (PEA) of its wholly owned Woodstock Project which indicates a pre-tax Net Present Value ("NPV") of CDN$846 million (post-tax NPV of CDN$461 million), at a 8% discount rate, and a pre-tax Internal Rate of Return ("IRR") of 17.97% (Post-tax IRR of 14.40%), based on a 3,000 tonne per day ("tpd") open pit mining, hydrometallurgical and electrowinning operation, with a pre-production capital expenditure of CDN$864 million and average annual payable production of approximately 80,000 tonnes (176 million pounds) of electrolytic manganese metal.

The PEA was completed by Tetra Tech ("Tetra Tech") and Thibault & Associates Inc. ("Thibault") and is compliant with National Instrument 43-101 ("NI 43-101") based on an updated NI 43-101 compliant mineral resources estimate prepared by Mercator Geological Services ("Mercator"), [Technical Report entitled "Preliminary Economic Assessment on the Woodstock Manganese Property, New Brunswick, Canada" dated July 10, 2014, filed on SEDAR July 22, 2014.]

The PEA's base case indicates a long project life of 40 years with operating costs anticipated to be the lowest in the world averaging US$0.64/lb of electrolytic manganese metal ("EMM") produced over the first 20 years and US$0.68/lb EMM over the life of project.

The Technical Report states that the positive economics of the Project are attributed to four main factors, which are considered competitive advantages for the production of EMM:

- Low mining costs – the Plymouth deposit is amendable to low-cost open pit mining methods with low stripping ratios.
- Manganese mineralization – manganese within the Plymouth deposit is present as rhodochrosite, which is readily soluble by direct sulphuric acid leaching, precluding the requirement for high-cost manganese reduction steps that are typical of manganese oxide processing.
- Low operating cost – average life-of-project operating costs for the production of EMM from the Plymouth deposit lie at the leading edge of the first quartile of the global EMM industry cost curve, indicating the competitiveness of CMCs product in the global marketplace.
- Long project life – the 40-year project life defined by the PEA for processing of the Plymouth deposit at the base case mill feed rate of 3,000 t/d allows for high returns on the initial capital investment and results in substantial life-of-project pre- and post-tax cumulative cash flows of CDN$4.4 billion and CDN$2.9 billion, respectively.

For all economic sensitivity cases tested (which included economic assessment of the base case and alternate cases at March 2014 spot EMM and iron ore commodity prices), the revenue to operating cost ratio remained greater than 1.5, demonstrating the robustness of the project economics. The ability to sustain profitability during economic downturns when commodity prices fall, or during times when operating costs rise is considered to be a strong asset to the project, owing to Woodstock's low operating costs.

While the findings of the PEA are considered favorable, the PEA is based on Inferred Mineral Resources, which are not Mineral Reserves and do not have demonstrated economic viability. Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is therefore no certainty that the conclusions of the PEA will be realized.

Positive Socio-Economic Impact

From the PEA study base case, life of project labor cost is reported as approximately CDN$487.7 million. Annual average labor cost for mining years 1-13 is reported as approximately $19.0 million and average number of employees is 223. Annual average labor cost for stockpile processing years 14-40 is reported as approximately $8.9 million and average number of employees is 110. The average salary would be in the range of ~$80,000 to $85,000 per year including overhead, burden and benefits. During the construction phase, levels of employment will be considerably higher. Life-of-project federal taxes are estimated at CDN$594 million in the base case while provincial taxes and royalties are estimated at CDN$932 million in the base case.

Woodstock capacity and World EMM demand

At the proposed base case annual average EMM production capacity of just over 80,000 tonnes (176 million pounds) per year from development of the Plymouth deposit, at a nominal resource processing rate of 3,000 t/d, Woodstock's production capacity would represent approximately 7.5% of global demand for EMM and approximately one-third of the Rest of the World (outside China) demand.

Moving forward, the assessment of specialized product markets will also identify the potential for add-on processing opportunities and added value revenue in addition to EMM production.

Opportunities for co-production of alternative manganese products

The hydrometallurgical process proposed for the production of EMM from the Plymouth deposit is similar to that used by commercial plants in China for hydrometallurgical processing of manganese carbonate feedstocks; however, the proposed process incorporates improved measures for environmental sustainability and a novel arrangement of unit operations for iron precipitation to accommodate the high iron content of the Plymouth deposit.

The production of highly-purified manganese sulphate solution using hydrometallurgical processing technologies provides alternative production options for the primary production of EMM from the Plymouth deposit, with opportunities for co-production of alternative manganese products such as EMD, CMD, manganese sulphate and other manganese chemicals.

The selection of EMM as the final product from hydrometallurgical processing of the Plymouth deposit for the PEA is based on manganese product market factors; however, it is noted that the hydrometallurgical block diagram developed for recovery of EMM from processing of material from the Plymouth deposit is readily amendable to reconfiguration for production or co-production of alternative manganese products as listed above with limited impact on the overall operating and capital costs for the Project.

Further drilling and Pre-Feasibility Study Recommended

The Technical Report states that the results of the PEA show that the Plymouth deposit on the Woodstock Project has good potential to become an economically attractive future mining and processing operation, and that a prefeasibility level study should be completed to further define and optimize this potential.

Based on the current block model and associated Mineral Resource estimate, Mercator has concluded that the Plymouth deposit, as currently defined by a 3.5% manganese cutoff value, remains open, both along strike and down dip, and that further core drilling to assess deposit extensions in these areas is warranted.

Further project development for a prefeasibility-level study will require upgrading the existing Inferred Mineral Resources to at least Indicated status for use in associated reserve estimation work. To meet this requirement, Mercator recommends that infill core drilling at 50 metre section spacings be carried out to provide 50 metre by 50 metre drilling intercept definition of the Plymouth deposit. At least 5,000 metres of infill drilling will be required to upgrade resources and a new resource estimate should be prepared after completion of that drilling program.

Exploration efforts to expand the current resource along strike and to depth are also recommended. The expansion exploration drill program is based on initial section spacing of 100 metres and intercept spacing of approximately 50 metres on each section with the goal of extending the resource to 200 metres depth.

BUCHANS BASE METAL PROJECTS

Minco has four advanced base metal properties in the Buchans area of central Newfoundland that contain numerous exploration prospects; namely the 100% owned Buchans property (which contains the Lundberg deposit), the 100% owned Tulks North property (which contains the Daniels Pond deposit), the 100% owned Bobbys Pond property (which contains the Bobbys Pond deposit), and a 49% joint venture interest in the Tulks Hill property (which contains the Tulks Hill deposit).

At the core of these base metal properties is the Lundberg copper-zinc-lead/deposit, which was the subject of a positive preliminary economic assessment completed in August of 2011. In March of 2013, Minco announced a new resource estimate completed by Mercator Geological Services Limited (“Mercator”) comprising Indicated resources totaling 23.44 million tonnes grading 1.41% Zn, 0.60% Pb, 0.35% Cu, 5.31g/t Ag and 0.07g/t Au plus Inferred resources of 4.31 million tonnes grading 1.29&% Zn, 0.54% Pb, 0.27% Cu, 4.47 g/t Ag and 0.08 g/t Au. Details on the resource estimate are available in a Technical Report entitled "Mineral Resource Estimate Technical Report on the Lundberg Deposit, Buchans area, Newfoundland, Canada” filed April 26, 2013 and prepared by Michael Cullen, P. Geo. and Andrew Hilchey, P.Geo., (both of Mercator) available on SEDAR (filed by Buchans Minerals Corporation).

Following the positive preliminary economic assessment of the Lundberg deposit in 2011 and the upgrading and expansion of the Lundberg resource in 2013, Minco is further expanding the scope of the project to include an internal economic scoping study of its satellite deposits in the Buchans region. This internal economic scoping study has involved completion of new open pit designs for the Lundberg open pit and underground mine plans for the Bobbys Pond deposit (100%), Daniels Pond deposit (100%) and Tulks Hill deposit (49%).

Preliminary mine plans for these deposits have been completed which has provided year-by-year mill feed schedules for delivery to a central mill in Buchans. Minco’s Bobbys Pond and Daniels Pond deposits appear to be amenable to modified cut and fill and selective long hole mining methods. Under this centralized milling concept, Minco is developing a conceptual economic model to test the viability of feeding Bobbys Pond and Daniels Pond ores into a revised economic flowsheet modified from the positive Preliminary Economic Assessment (2011) for the Lundberg deposit.

Should this internal economic analysis indicate the satellite deposits could enhance the overall economics, detailed mine plans will be completed for each satellite deposit and further metallurgical tests performed to determine if the satellite deposit ores can be successfully incorporated, either by blending or campaign processing at the proposed Lundberg processing facility. In addition, future phases of metallurgical testwork would need to focus on conducting further flotation tests on the higher-grade post pre-concentration material for the Lundberg and satellite deposits to determine improvements in flotation performance and concentrate salability, brought about by higher grade feed material to flotation.

Minco’s summer 2014 exploration programme involves the re-logging of historical drill core from drilling at the Engine House zone and Lucky Strike south zone. The work is being conducted to re-interpret the lithostratigraphy and structural geology in the areas of known mineralization with the objective to further define additional targets for drilling later this year.

Results from the re-logging program to date suggest Minco's Engine House zone (part of the Lundberg Deposit), represents a separate zone of mineralization that fed a slightly older massive sulphide horizon which is host to high-grade massive sulphide mineralization. Detailed re-logging in the vicinity of the south portion of the Lucky Strike massive sulphide zone is encouraging for the potential expansion of resources south of the glory hole. Drilling targets have been identified below and to the west of the Engine House zone and are considered to be high priority targets for Minco's planned drilling exploration programme later in 2014.

MINERAL EXPLORATION AT NORTHERN PENNINES, ENGLAND

Minco's ongoing exploration drilling is currently centered on a 3.5 by 2.5 kilometre area in the vicinity of the village of Nenthead, the most prolific area of past production within the Pennines orefield which covers a total area of approximately 350 square miles.

Minco has identified three types of targets in the area:

1. the historic mining horizon within the Great Limestone;
2. the horizons immediately above and below the Whin Sill formation; and
3. the basal (deepest) limestone succession.

To date a total of 7076 metres has been drilled in 28 holes. Twenty two holes have been sited to define the localizing structures and to explore potential within the Great Limestone geological succession and six holes with a total of 3219 metres have tested the basal succession.

Within the horizon area of the Great Limestone, Minco's drilling has targeted four structures/veins named: Gudhamgill, Coalcleugh, Scaleburn and Nentsbury. A series of widely spaced holes have been drilled on each of these four targets .

During the quarter, on the Gudhamgill target, Minco drilled a high grade zinc-lead intersection grading 19.55% Zn and 1.93% Pb over 0.40 metres at a depth of 39.60 metres, together with 2.70 metres of zinc mineralisation grading 5.04% Zn at a depth of 91.75 metres, in hole CA-017. A second high-grade zinc intersection grading 10.34% Zn and 0.97% Pb over 1.00 metres was cut in hole CA-016 associated with narrow breccia hosted 'vein' associated with a small hanging-wall fault zone. Holes CA-018 and CA-019 did not return any significant mineralization.

Drilling results from holes CA-013, and CA-015 through CA-019 demonstrate that the Great Limestone horizon in the vicinity of the Gudhamgill structure has the potential to host lenses of zinc-dominated disseminated stratiform mineralization at good zinc grades.

The demonstration of significant stratiform mineralisation within the Great Limestone counters the long held belief that the mineralisation is dominantly of 'vein type' and significantly improves the potential for major lenses of stratiform within the more massive and thicker, basal limestone succession.

The primary exploration target in the North Pennines remains large, stratiform lenses of replacement zinc-lead mineralisation within the thick, unexplored deepest limestone geological succession about 370 metres below the Great Limestone. This geological succession is known to be mineralised, primarily with barite, along the southern periphery of the North Pennine Orefield where the basal succession outcrops.

Minco has recently completed two deep holes, CA-015 and CA-020 testing replacement mineralisation within the deeper thick basal limestone succession, adjacent to the main northeast striking controlling structures. Holes CA-015 was deepened from 148 metres to a depth of 496 metres and intersected 1.5 metres of mineralization visually estimated at a combined lead-zinc grade of about 5% within the Lower Limestone unit at a depth of 385 metres. Hole CA-020 was drilled to a vertical depth of 535 metres and intersected a visually estimated lead-zinc grade of about 5% over 0.5 metres in the Tyne Bottom Limestone.

The presence of widespread, albeit generally low grade, mineralisation within the Tyne Bottom, Jew and Lower Limestone horizons provides encouragement to continue exploration of these deeper succession targets lying approximately 350 metres beneath the Great Limestone. The objective of this deep drilling is to assess the possibility for major zones of replacement-style, stratiform mineralization in the basal carboniferous succession.

Following the completion of hole CA-020, drilling was suspended for the duration of the local bird shooting season.

Exploration Properties – Schedule of Deferred Exploration Expenditures
For the six month period ended June 30, 2014

	June 30 2014 $000's	Additions $000's	December 31 2013 $000's	Foreign Exchange $000's	Additions $000's	Acquisitions $000's	December 31 2012 $000's
Ireland	874	(3)	877	(14)	-	-	891
Woodstock	2,905	457	2,448	-	1,239	129	1,080
Buchans	6,808	679	6,129	(7)	787	3,833	1,516
Bobbys Pond	612	161	451	-	20	431	-
Pennines	2,080	575	1,505	(3)	1,130	-	378
Total	13,279	1,869	11,410	(24)	3,176	4,393	3,865

QUALIFIED PERSON

Benjamin Batson, P. Geo. is Minco's Non-independent Qualified Person for the purposes of National Instrument 43-101, *Standards of Disclosure for Mineral Projects* and has approved the technical disclosures in this MD&A.

XTIERRA INC.

Minco holds approximately 30 million shares in Xtierra Inc. ("Xtierra"), a company listed on the TSX Venture Exchange under the symbol "XAG", representing an approximate 26% interest.

Xtierra holds mineral properties located in the in the State of Zacatecas in the Central Mineral Belt of Mexico. The Central Mexican Mineral Belt is a prolific mineralized belt that has historically generated the bulk of Mexico's silver production from the early colonial period to the present day and hosts many world class precious and base metal deposits.

In April 2014, RungePincockMinarco (Canada) Limited delivered an updated NI 43-101 compliant resource estimate and a Preliminary Economic Assessment (PEA) on the Bilbao Project.

Economic results of the Project cash flow model indicate an Internal Rate of Return (IRR) of 13.2% and a pre-tax Net Present Value (NPV) of USD $11.0M at a 10% discount rate and a pre-tax NPV of $18.7 million at an 8% discount rate.

Project Capital Costs, as of April 2014, are estimated by RPM to be USD $99.5M including an allowance for contingencies of USD $8.7M, equivalent to 8.8% of total capital expenditure.

RPM have made numerous recommendations throughout the PEA identifying various opportunities to increase the mineable resource and reduce operating costs through additional exploration and engineering, improving the overall economics of the Bilbao project.

Having received the completed Preliminary Economic Assessment, Xtierra's focus going forward is to maximize the value of Bilbao by seeking to develop Bilbao either alone or in joint venture with a partner. Xtierra has initiated a strategic review to consider alternatives and has retained Jennings Capital Inc. to assist in the strategic review process. Strategic alternatives include, but are not limited to, financing structures for the development of the Bilbao Project, the sale of all or a portion of the Company's interest in the Bilbao Project or a corporate transaction. In the meantime, Xtierra has taken steps to reduce costs in all area of operations, has relinquished various exploration properties and intends to focus its efforts entirely on maximising the value of the Bilbao project.

In April 2014, Pacific Road exercised its right to convert $1,075,000 of its convertible notes into 11,944,444 shares of Xtierra. The remaining balance of Pacific Road's convertible notes in the amount of $175,000, together with the $250,000 working capital notes and together with a further advance of $125,000, were rolled into new non-convertible 5% secured notes (total $550,000) due April 30, 2015, secured, pari-passu with Minco, by a pledge by Xtierra of its shares of the Orca Minerals Limited.

At the same time, in April 2014, Minco also agreed to provide a further working capital advance of $125,000, which together with the $254,000 working capital notes (including $4,000 interest), were rolled into new non-convertible 5% secured notes (total $379,000) due April 30, 2015, secured, pari-passu with Pacific Road, by a pledge by Xtierra of its shares of the Orca Minerals Limited.

The net effect of Xtierra's April 2014 agreements with Minco and Pacific Road is to settle a liability of $1,075,000 due April 24, 2014 by the issue of 11,944,444 shares, roll over $508,000 in working capital notes due March 31, 2014 until April 30, 2015 and secure further advances of $250,000 to fund its working capital for the balance of 2014.

As result of the issuance of shares to Pacific Road upon its conversion of the Convertible Notes, Minco's' shareholding in Xtierra's has been diluted to approximately 26%.

RESULTS OF OPERATIONS

The Company recorded no revenue in the periods ended June 30, 2014 or June 30, 2013.

For the six month period ended June 30, 2014, the Company incurred a consolidated net loss of $487,000 compared to a loss of US$790,000 during the same period ended June 30, 2013.

For the three month period ended June 30, 2014, the Company incurred a loss of $216,000 compared to a loss of $1,013,000 for the same period ended June 30, 2013.

Administrative expenses (excluding foreign exchange) for the six month period ended June 30, 2014 amounted to $535,000 compared to $668,000 in 2013.

SUMMARY OF QUARTERLY RESULTS

Expressed in US$000's, Except for per share amounts	June 30 2014 $	March 31 2014 $	Dec. 31 2013 $	Sept. 30 2013 $	June 30 2013 $	March 31 2013 $	Dec. 31 2012 $	Sept. 30 2012 $
Total revenue	-	-	-	-	-	-	-	-
Net (loss) gain	(216)	(271)	(2,514)	(1,117)	(1,013)	257	(1,401)	(1,069)
Net (loss) gain per share - basic and	(0.000)	(0.001)	(0.005)	(0.002)	(0.0029)	0.0007	(0.0040)	(0.0031)
Total assets	23,961	24,008	24,338	26,898	23,028	23,550	24,074	24,950
Working capital	7,457	8,417	9,739	11,165	12,111	13,400	14,636	15,900

- The loss for the quarter ended September 30, 2012 included a foreign exchange loss of $418,000, an expense of $154,000 arising on the decrease in fair value of financial assets and a share of loss of associate of $339,000.
- The loss for the quarter ended December 31, 2012 included a foreign exchange loss of $353,000, impairment in receivable of $865,000, and an expense of $154,000 arising on the decrease in fair value of financial assets.
- The income for the quarter ended March 31, 2013 included a foreign exchange gain of $404,000.
- The loss for the quarter ended June 30, 2013 included a foreign exchange loss of $183,000 and an expense of $394,000 arising on the decrease in fair value of financial assets.
- The loss for the quarter ended September 30, 2013 included $454,000 professional fees related to the acquisition of Buchans and a foreign exchange loss of $417,000.
- The loss for the quarter ended December 31, 2013 included $1,840,000 share of loss of associate and $170,000 foreign exchange loss.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2014, Minco held $7,844,000 in cash and cash equivalents. At June 30, 2014, the Company had a working capital surplus of $7,457,000, compared to a working capital surplus of $9,739,000 at December 31, 2013, and is adequately financed to meet its planned programs and business objectives.

During the six month period ended June 30, 2014, the Company invested $1,869,000 in exploration and development expenditures. At June 30, 2014, Minco held mineral properties with a book value of $13,279,000. The balance sheet values for these assets may not represent that which could be obtained if the assets were to be offered for sale.

The primary objective of Minco's capital management is to ensure that it maintains an adequate capital ratio in order to support its business and enhance shareholder value. The capital structure of Minco consists of issued share capital and reserves. Minco manages its capital structure and makes adjustments to it, in light of the changes in economic conditions. No changes were made in the objectives, policies or processes during the six month period ended June 30, 2014. Minco's only capital requirement is its authorized minimum capital as a public limited company.

RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

No fees were paid by the Company to directors for their services as directors of the Company in the six month periods ended June 30, 2014 or 2013.

Amounts paid and accrued for services other than as directors of the Company, include the following expenditures which were incurred with directors and/or officers of the Company, corporations with directors and/or officers in common with the Company, and corporations controlled by directors and/or officers of the Company.

During the six month period ended June 30, 2014, the Company made payments or accrued $248,000 (2013 - $260,000) to related parties, as follows;

- Warren MacLeod, President of Buchans Minerals Corp. was paid an amount of Cdn$17,500 per month, or US$97,000.
- Danesh Varma, Finance Director and Secretary of the Company was paid an amount of £4,500 ($7,500) per month, or $45,000 (2013 –$43,000).
- Professional fees in the amount of $30,000 were paid to Rowan N. Maule for management and consulting services, and have been capitalized within intangible assets as exploration and evaluation assets.
- Professional fees in the amount of $19,000 were paid to Dennis MacLeod for consulting services and have been capitalized within intangible assets as exploration and evaluation assets.
- The option vesting expense for the six month period ended June 30, 2014 was $57,000 (2013 –$56,000) in respect of 11,500,000 options previously granted and outstanding at 30 June 2014.

LEGAL PROCEEDINGS

In November 2013, the Company and two of its directors (Terence McKillen and Danesh Varma) were served with a Claim in the English High Court of Justice, Chancery Division, by John Bennington Sears of Maidenhead, England and Sippdeal Trustees Limited of Chester Road, Manchester, England on behalf of the legal holder of some of the shares held by that shareholder ("Sears") claiming damages for misrepresentation. Sears alleges that he caused shares in the Company to be purchased or retained for his benefit induced by alleged misrepresentations made by the Company and the two directors about the terms of the Joint Venture Agreement between the Company and Xstrata regarding the Pallas Green project near Limerick Ireland and the 2011 exploration budget for Pallas Green. Sears had participated in two share placements completed by the Company in 2010 and 2011, with such placements made by Barclays on his behalf, and alleges that he suffered loss and damage because the shares that he purchased, or were purchased by Barclays on his behalf in such share placements, were overvalued. During the period April 2010 to April 2011 Sears claims to have purchased a total 7,965,157 shares at various times for a total investment of £344,433. He claims to have subsequently sold 5,780,156 shares for a total of £222,513. Sears claims that nonetheless he has suffered losses amounting to approximately £500,000 (compromising lost capital and profits thereon that he would have obtained had those monies which he invested in the Company been available to make alternative investments), the precise quantum of loss will be matter of evidence to be adduced at trial. The Company and the two directors consider such claims to be wholly without merit, have filed a Defence and intend to vigorously defend this action. The Company has determined, based on legal advice, that the likelihood of any potential damages being awarded against the Company is remote and no provision has been made in these consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements are prepared in accordance with IFRS and require management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and affect estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuation of tax accounts. The Company regularly reviews its estimates and assumptions, however, actual results could differ from these estimates and these differences could be material.

Adoption of New Accounting Standards

The standards and interpretations within IFRS are subject to change. For further details, please refer to Note 2 of the December 31, 2013 audited consolidated financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The realization of mineral exploration assets is dependent on the development of economic ore reserves and is subject to a number of significant potential risks including:

Exploration, Development and Operating Risk

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by Minco may be affected by numerous factors that are beyond the control of Minco and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in Minco not receiving an adequate return of investment capital. Many of the properties in which Minco holds an interest are in the exploration stage only and are without a known body of commercial ore. Development of the subject mineral properties would follow only if favourable exploration results are obtained and a positive feasibility study is completed.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that Minco's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of Minco's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis and at an acceptable cost.

In addition to the above there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interests in mineral properties and Minco's continued existence is dependent upon the preservation of its interests in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of Minco to raise additional financing, if necessary, or alternatively upon Minco's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

No Assurance of Production

Minco has limited experience in placing resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that Minco will have available to it the necessary expertise when and if Minco places its resource properties into production and whether it will produce revenue, operate profitably or provide a return on investment in the future.

Fluctuating Mineral Prices

Metal prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of Minco. The principal factors include: diminished demand which may arise if economic growth in North America, Europe and/or China are not sustained; supply interruptions due to changes in government policies in base and precious metals, war, or international trade embargos; increases in supply resulting from the alleviation of professional and skilled labour shortages experienced by the world’s largest producers; and, increases in supply resulting from the discovery and the development of new sources of base and precious metals. The effect of these factors on Minco’s operations cannot be predicted.

Factors beyond Minco’s Control

The exploration and development of mineral properties and the marketability of any minerals contained in such properties will be affected by numerous factors beyond the control of Minco. These factors include government regulation, high levels of volatility in market prices, availability of markets, availability of adequate transportation and refining facilities and the imposition of new or amendments to existing taxes and royalties. The effect of these factors cannot be accurately predicted.

Failure to Obtain Additional Financing

While Minco has sufficient financial resources necessary to undertake its currently planned activities, there can be no assurance that Minco will be successful in obtaining any additional required funding necessary to conduct additional exploration or evaluation, if warranted, on Minco’s current exploration properties or any properties that may be acquired or to develop mineral resources on such properties, if commercially mineable quantities of such resources are located thereon. Failure to obtain additional financing on a timely basis could cause Minco to forfeit its interest in such properties. If additional financing is raised through the issuance of equity or convertible debt securities of Minco, the interests of shareholders in the net assets of Minco may be diluted.

Insurance and Uninsured Risks

Minco’s business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Minco’s properties or properties of others, delays in development or mining, monetary losses and possible legal liability.

Although Minco will purchase insurance to protect against certain risks in such amounts as it considers reasonable, such insurance may not cover all the potential risks associated with a mining Minco’s operations. Minco may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to Minco or to other companies in the mining industry on acceptable terms. Minco might also become subject to liability for pollution or other hazards which may not be insured against or which Minco may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Minco to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Title Risks

Title insurance is generally not available although Minco has exercised the usual due diligence with respect to determining title to and interests in its mineral properties, there is no guarantee that such title to or interests in the Properties will not be challenged or impugned. Minco's mineral property interests may be subject to prior unregistered agreements or transfers and title may be affected by, among other things, undetected defects. Until competing interests in the mineral lands have been determined, Minco can give no absolute assurance as to the validity of title of Minco to those lands or the size of such mineral lands.

Environmental Risks and Hazards

Minco's operations may be subject to environmental regulations in the various jurisdictions in which it operates. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. Minco intends to comply fully with all applicable environmental regulations.

Government Regulation and Permitting

Minco's mining and exploration activities may be affected by the extent of a country's political and economic stability and the nature of government regulation relating to the mining industry and foreign investors therein. Changes in regulation or shifts in political conditions are beyond the control of Minco and may adversely affect its business and its holdings. In addition, mining operations may be affected by government regulations with respect to production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that will require Minco to obtain permits, licences and approvals from various governmental agencies. There can be no assurance, however, that all permits, licences and approvals that Minco may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which Minco might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Minco and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Directors' knowledge, Minco is operating in compliance with all applicable rules and regulations.

Delays

Minco is unable to predict the amount of time which may elapse between the date when any new mineral reserve may be discovered, the date upon which such discovery may be deemed to be economic pursuant to a feasibility study and the date when production may commence from any such discovery.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect Minco's operations, financial condition and results of operations.

Competition

The mining industry is intensely competitive in all its phases, and Minco competes with other mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical facilities than Minco. Competition could adversely affect Minco's ability to acquire suitable properties or prospects in the future. Consequently, Minco's operations and financial condition could be materially adversely affected.

Management

The success of Minco is currently largely dependent on the performance of its directors and officers. There is no assurance Minco can maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse effect on Minco and its prospects. Some of the directors and officers also serve as directors and/or officers of other companies which are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other companies, and situations may arise where these directors and officers will be in direct competition with Minco. Conflicts, if any, will be dealt with in accordance with the relevant provisions of applicable corporate and securities laws.

Recruiting and retaining qualified personnel is critical to Minco's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As Minco's business activity grows, additional key financial, administrative and mining personnel as well as additional operations staff will be required. Although Minco believes it will be successful in attracting, training and retaining qualified personnel, there can be no assurance of such success. If Minco is not successful in attracting, training and retaining qualified personnel, the efficiency of operations could be affected.

Price Volatility of Publicly Traded Securities

Securities of exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global macroeconomic developments, and market perceptions of the relative attractiveness of particular industries. Minco's share price is also likely to be significantly affected by short-term changes in metal prices or in Minco's financial condition or results of operations as reflected in half yearly earnings reports. Other factors unrelated to Minco's performance that may have an effect on the price of Minco shares include the following:

- the relatively small size of the publicly held shares in Minco will limit the ability of some institutions to invest in Minco's shares;
- the limited trading volume and general market interest in Minco's shares may affect an investor's ability to trade Minco shares;
- the extent of analytical coverage available to investors concerning Minco's business may be limited if investment banks with research capabilities do not follow Minco's shares;
- a substantial decline in Minco's share price that persists for a significant period of time could cause its securities to be delisted from any stock exchange upon which they are listed, further reducing market liquidity.

As a result of any of these factors, the market price of Minco shares at any given point in time may not accurately reflect Minco's long-term value.

FINANCIAL RISK MANAGEMENT

Interest rate risk

Minco finances its operations through the issue of equity shares, and has no fixed interest rate agreements. Minco had $7,844,000 in cash and cash equivalents at June 30, 2014. A one percent change in interest rates will result in a corresponding change in interest income of approximately $78,440 based on cash equivalent balances existing at June 30, 2014.

Liquidity risk

Minco's liquidity exposure is confined to meeting obligations under short term trade creditor agreements. This exposure is financed from a combination of cash, additional issues of ordinary equity shares and other financing arrangements.

Credit risk

With respect to credit risk arising from financial assets of Minco, which comprise of cash and cash equivalents, cash deposits give risk to credit risks on the amounts due from counter-parties. The Company controls and monitors the distribution of this exposure by ensuring that all financial instruments are held with reputable and financially secure institutions and that exposure to credit risk is distributed across a number of institutions. At June 30, 2014 all cash, short term deposits had a maturity date of 30 days or less. Credit risk is actively managed across the portfolio of institutions by ensuring that material surplus funds are placed with counter-parties that have a credit rating of at least BBB-.

Foreign currency risk

Minco has exposure to currency exchange fluctuations and restrictions as Minco's currencies are spread over US Dollars (US$), Sterling Pounds (£), Canadian Dollars (Cdn$) and Euro (€). Minco seeks to minimize its exposure to currency risk by closely monitoring exchange rates. Minco does not presently utilize swaps or forward contracts to manage its currency exposures, although such facilities may be used where appropriate in the future.

Further details of Minco's financial risk management policies are set out in Note 25 of the December 31, 2013 audited financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by major banks. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. In the period ended June 30, 2014, the Company earned $32,000 in interest income.

The Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Fair value estimates of financial assets and liabilities are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates involve uncertainties and are subjective in nature. Other financial instruments included in current assets are classified as loans and receivables, which are measured at amortized costs. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As at June 30, 2014, the carrying and fair value amounts of the Company's financial instruments were the same.

OUTSTANDING SHARE CAPITAL

The authorized share capital of Minco consists of 700,000,000 Ordinary shares with a nominal value of €0.0125 each. At June 30, 2014 and August 28, 2014, Minco had 478,142,184 Ordinary shares issued and outstanding.

At June 30, 2014, and August 28, 2014, Minco had 20,263,860 stock options issued and outstanding.

At June 30, 2014, and August 28, 2014, Minco had 33,040 share purchase warrants outstanding.

ADDITIONAL INFORMATION

Additional information about the Company is available on the Company's website at www.mincoplc.com

FORWARD-LOOKING STATEMENTS

This management's discussion and analysis contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Date: August 28, 2014