

# Minco Plc

PRESS RELEASE

## MINCO ANNOUNCES INITIAL LUNDBERG DRILLING RESULTS, BUCHANS, NEWFOUNDLAND

**Dublin, 13 September 2012 - Minco plc (AIM-“MIO”)** (the “Company”), together with Buchans Minerals Corporation (TSXV: BMC) (“Buchans Minerals”), is pleased to announce initial results from the ongoing drilling program on the Lundberg base metal project in Buchans, central Newfoundland, Canada.

A total of 4,436 metres of infill and step-out drilling has been completed in 39 of the planned 56 drill holes since July. The program comprises 7,800 metres of drilling in total which is on track for completion during late October. The results of the first seven holes have been received and reviewed. Additional results will be released as drilling progresses.

Hole	Interval (m)	Width (m)	Cu+Pb+Zn (%)	Cu%	Pb%	Zn %	Ag (g/t)	Au (g/t)
H-3426	10.3-27.0	16.7	3.38	0.55	0.96	1.87	5.5	0.022
H-3427	6.6-53.0	46.4	1.74	0.32	0.38	1.03	2.2	0.023
H-3428	6.3-105.0	98.7	1.56	0.21	0.43	0.93	1.9	0.016
<i>incl.</i>	22.0-88.0	66.0	1.89	0.23	0.53	1.13	2.1	0.018
H-3429	26.0-34.8	8.8	2.24	1.22	0.26	0.76	5.9	0.035
<i>and</i>	44.0-51.0	7.0	1.23	0.14	0.35	0.73	2.7	0.049
H-3430	38.0-80.0	42.0	1.98	0.19	0.45	1.34	2.6	0.017
H-3431	82.0-126.0	44.0	1.58	0.06	0.44	1.08	1.6	0.027
H-3432	96.7-110.7	14.0	1.39	0.07	0.46	0.86	1.6	0.035
<i>and</i>	119.7-125.7	6.0	3.00	0.13	0.77	2.09	2.5	0.029

*Note: Holes were drilled vertically from surface.*

A map showing hole locations relative to the known resource is provided at the following link (<http://www.minco.ie/pdf/20120913buchansdrillmap.pdf>).

Drill intercepts quoted are core lengths and true widths have not been estimated due to the stockwork and disseminated nature of mineralization intersected, although previous drilling suggests the mineralization consists of a flat-lying “stratigraphically controlled blanket”.

“The assay results from the first seven holes appear to confirm the resource within the eastern portion of the Lundberg deposit and the drilling program continues on plan,” commented Terence McKillen, Chief Executive Officer of Minco.

The drilling program has been designed with multiple objectives, which include: (1) the upgrade of a substantial portion of the current inferred resource to an indicated category; (2) seeking to expand a number of higher grade areas within the conceptual open pit, specifically both the near surface “Engine House” deposit and also beneath the old “Lucky Strike Glory Hole”; and (3) seeking to expand the potential size of the Lundberg deposits with step-out exploration holes.

### THE LUNDBERG DEPOSIT

The Lundberg deposit is a stockwork-type volcanogenic massive sulphide (“VMS”) deposit surrounding and extending from the old Buchans mine, containing lower grade zinc, copper, lead and minor silver. The current Inferred Resource within the Lundberg conceptual open pit as defined by Wardrop

Engineering, a Tetra Tech Company (“Wardrop”), is estimated as 17.28 million tonnes with average grades of 1.63% zinc, 0.69% lead, 0.40% copper, and 5.96 gpt silver.

The Lundberg deposit was assessed by a positive Preliminary Economic Assessment (“PEA”) completed by Wardrop in 2011. The PEA identified that the deposit has the potential to become a stand-alone 5,000 tonne per day mine with a pre-tax internal rate of return of 43.94%, a net present value of CDN\$ 217.8 million (at a 6% discount rate) and a 10 year mine life (see Minco Press Release dated May 16, 2012).

## **THE JOINT VENTURE AGREEMENT**

In April 2012, Minco entered into an agreement with Buchans Minerals which provides Minco with the right to earn a 51% interest in the Buchans base metal properties in central Newfoundland, Canada. Minco can earn such interest by spending CDN\$ 8.0 million to advance the Lundberg base metal deposit to final feasibility over four years and by further exploring the extensive mineral properties in the Buchans camp.

Minco expects to spend CDN\$ 3.5 million over the next two years to advance the project to the pre-feasibility stage, following which Minco will have the option to proceed to complete a final feasibility study by spending a further CDN\$ 4.5 million over the following two years.

Minco also plans to undertake a range of other development activities including: geotechnical engineering, open-pit mine planning, metallurgy, plant design, engineering and environmental studies of the Lundberg deposit.

## **QUALIFIED PERSONS**

Mr. Terence McKillen, B.A. (MOD), M.A., M.Sc., P.Geo, Chief Executive Officer of Minco, is the Qualified Person for the Company 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.

Paul Moore, M.Sc., P.Geo., (NL), Buchans Minerals’ Vice President of Exploration, is acting as Qualified Person in compliance with Canadian National Instrument 43-101 and has reviewed the information in this release.

## **ABOUT MINCO PLC**

Minco plc, registered in the Republic of Ireland and listed on the AIM Market of the London Stock Exchange (AIM: MIO), is a mineral exploration and development company, currently engaged in lead-zinc and manganese development projects in Canada and in zinc-lead exploration in Ireland. Minco holds 30 million shares (approximately 29%) in Xtierra Inc. listed on the TSX Venture Exchange (TSX.V: XAG), advancing zinc-silver projects in Mexico, and also holds 15 million shares (approximately 10%) in Buchans Minerals listed on the TSX Venture Exchange (TSX.V: BMC). Minco also holds a 2% NSR royalty on the Curraghinalt gold property in Northern Ireland currently being explored by Dalradian Resources Inc. (TSX: DNA).

In April 2012, Minco announced an agreement with Buchans Minerals whereby Minco can earn a 51% joint venture interest in Buchans' base metal properties in Newfoundland, Canada by investing CDN\$ 8 million over four years to advance the Lundberg deposit to final feasibility and to further explore Buchans' extensive mineral properties in the historic Buchans mining camp, and whereby Minco was

granted an exclusive six month option to evaluate Buchans' Woodstock manganese property in New Brunswick, Canada, with a view to potentially entering into a joint-venture agreement to develop the property.

Minco currently holds approximately US\$17 million in cash and is also evaluating a number of other investment opportunities in the minerals industry in North America and Europe.

For further information of Minco refer to Minco's website at [www.minco.ie](http://www.minco.ie).

**For further information, [www.minco.ie](http://www.minco.ie) or contact:**

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