

## MINCO COMMENCES DRILLING AT BUCHANS, NEWFOUNDLAND, CANADA

- **50 drill hole – 7,000 metre – CDN\$ 1 million Exploration Program**

**Dublin, 19 July 2012 - Minco plc (AIM-“MIO”)** (“Minco” or “the Company”) is pleased to announce the commencement of a major new drilling program on the Lundberg base metal project in Buchans, central Newfoundland, Canada.

The drilling program, with a budget of about CDN\$ 1.0 million, is scheduled to comprise approximately 7,300 metres of new drilling in approximately 50 holes. The drilling program is expected to continue for about four months.

Following a thorough review and assessment by Minco of all of the available technical and geological information, the new 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 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 JOINT VENTURE AGREEMENT

In April 2012, Minco entered into an agreement with Buchans Minerals Corporation (TSX.V – BMC) (“Buchans Minerals”) which provides Minco with the right to earn a 51% interest in the Buchans base metal properties in central Newfoundland. Minco can earn such interest by spending CDN\$ 8.0 million over four years to advance the Lundberg base metal project to final feasibility 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 on the Lundberg deposits.

### THE HISTORIC BUCHANS MINE

The old Buchans Mine operated from 1928 to 1984 and was regarded as one of Canada's richest base metal mines. The major source of production was from volcanic-hosted environments, where five separate ore-bodies were mined over a long period producing a total of 16.2 million tonnes at average grades of 14.51% zinc, 7.56% lead, 1.33% copper, 1.37 grams per tonne (gpt) gold and 126.0 gpt silver.

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In terms of the value of the metal produced, these rank as world-class deposits and underscore the potential of the central Newfoundland volcanic terranes in the Buchans camp.

## THE LUNDBERG PROJECT

The Lundberg deposit is a stockwork-type volcanogenic massive sulphide (“VMS”) orebody surrounding and extending from the old Buchans mine, containing lower grade zinc, copper, lead and minor silver and upon which Buchans Minerals has reported an inferred resource of 22.21 million tonnes averaging grades of 1.62% zinc, 0.69% lead, 0.38% copper and 5.81 gpt silver.

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

## EXPLORATION POTENTIAL

As part of the joint venture at Buchans, Minco also plans to further evaluate the Daniels Pond VMS deposit, located approximately 20 kilometres south of Lundberg and less than 30 kilometres west of Teck’s currently producing Duck Pond Mine.

Daniels Pond is part of Buchans Minerals’ 100% owned Tulks North property covering 16,000 hectares (approximately 32 km by 5 km) which is considered highly prospective and hosts a number of targets that have been identified and evaluated through only limited exploration projects completed to date.

The Daniels Pond deposit currently hosts an indicated resource of 1.16 million tonnes grading 4.44% zinc, 2.12% lead, 0.31% copper, 87.79 gpt silver and 0.60 gpt gold, as well as an additional Inferred resource totaling 0.45 million tonnes grading 3.88% zinc, 1.74% lead, 0.27% copper, 81.63 gpt silver and 0.52 gpt gold.

## INVESTMENT IN BUCHANS MINERALS CORPORATION

In addition to entering into the joint venture agreement to develop the Lundberg project, Minco also completed a private placement for \$1.0 million in Buchans Minerals, acquiring 15,384,615 shares (approximately 10% of the outstanding shares of Buchans) and 7,692,307 warrants exercisable at \$0.10 per share for a period of two years.

## 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).

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In April 2012, Minco signed 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 continues to explore its two base metal prospecting licenses in Ireland, one located adjacent to the currently operating Lisheen zinc/lead mine (Vedanta) and the recently producing Galmoy mine (Lundin), and the second held in joint venture with Boliden, adjacent to Boliden's Tara zinc/lead mine at Navan.

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.mincoplc.com](http://www.mincoplc.com).

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

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