

Minco plc

("Minco" or "the Company")

Final results for the year ended 31 December 2004

LONDON: 5 May 2005 - Minco plc (MIO) reports final results for the year ending 31 December 2004.

Highlights:

- Minera Sisa, Mexico - Acquisition of 50% shareholding in silver project: completed after year end
    - 2,250 hectare highly prospective silver/gold/copper property in the Sierra Madre district of Mexico
    - 7,000 metre drilling programme to begin in May 2005
  - Laguna, Mexico- Completion of the feasibility study on precious metals /Mercury tailings project
    - Life-of-mine revenue from the project of US\$116.4m\*
    - Life-of-mine operating profit of US\$75.6m\*
    - Net present value of US\$26.5m\*
    - 8-year mine life
  - Commencement of the bankable feasibility study on Laguna
    - Completion of additional 150 drill holes
    - Bankable feasibility study scheduled for completion in the third quarter of 2005 by Micon International
    - Increase from feasibility throughput of 1 million to 1.25 million tonnes a year for eight years
    - Secured operating licence from Mexican Government Environmental Agency, representing the final licence requirement
    - Production targeted for 2006
  - Drilling programme commenced on Pallas Green zinc property in Ireland
    - 9,000 metre diamond drilling programme to commence in April 2005 with partners Noranda
  - £4.5 million fundraising (€ 6.4 million ) (before expenses) in November 2004
- \* US\$6.50 per ounce silver price

Objectives for 2005:

- Focus on Mexican precious metals development
- Complete the bankable feasibility study on the Laguna silver tailings project
- Complete project financing of the Laguna project, allowing Minco the potential to construct plant and to generate revenue in 2006
- Complete phase 1 drilling programme on Minera Sisa to indicate the extent of the mineralised structure and upgrade the silver and gold deposit categorisation to resources status
- Continue project evaluations in Mexico to secure complementary high value projects
- Complete Pallas Green zinc licence drill programme

The achievement of these goals will ensure that our growth profile remains on track and contribute significantly to Minco's goal of becoming a major silver

producer by 2008.

Excerpts from the Chairman's Statement:

Minera Sisa; Mexico

'Since the completion of the Minera Sisa acquisition, in late February 2005, geochemical and geophysical programmes and infrastructure construction were commenced in preparation for the commencement of drilling in early May. Additional concessions around the original Sisa properties were granted to Minco, increasing this highly prospective area to 2,250 hectares along the strike of the known silver/gold/copper deposits.'

'The existing known deposit at Minera Sisa is host to a small narrow vein mine, with mine equipment and process plant, and we are currently assessing the viability of recommencing operations. It is, however, the potential of the entire property to contain large scale epithermal silver/gold/copper deposits, of which three are already known, that has led us to take on Minera Sisa. No modern exploration activity has previously been carried out on the property, although historic mining of the narrow veins of one of the deposits is reported to have delivered grades of 3,000 grammes per tonne of silver and 20 grammes per tonne of gold.'

La Laguna; Mexico

'Drilling continued on the Laguna tailings project at Zacatecas until December and a further 150 holes were drilled following the completion of the feasibility study bringing the total drilling, for resource and reserve calculations, to 366 holes. The bankable feasibility study was awarded to Micon International in Toronto, with the completion date scheduled for the third quarter of this year. All environmental permits have now been received from the Mexican Government.'

Silver Outlook.

'Between January 2004 and January 2005 the price of silver increased from US\$4.50 to US\$6.50 per ounce. The outlook for silver remains good with strong demand in electronics, medicine, and wood preservation applications, combined with a decline in mined production. The potential for silver to replace platinum as an automotive catalyst, and its use in automotive fuel cells, could also have a major impact on demand and price.'

Pallas Green; Ireland.

'Following encouraging drill results in 2004, plans for a 9,000 metre drilling program were finalised with our partner Noranda Inc. and the first phase of drilling commenced in April 2005. With zinc price at a 5-year high, and a spectacular rise in the past two years from just over US\$0.30 to over US\$0.60 per pound the incentive to prove this a major deposit has increased considerably.'

Roger W Turner  
Chairman of the Board

**Consolidated Profit and Loss Account for the Eight Months Ended 31 December 2004**

	8 months ended 31 December 2004 €	12 months ended 30 April 2004 €
General and Administration expenses	(395, 970)	(209,932)
Foreign exchange losses	(64,758)	-
Administration expenses	(460,728)	(209,932)
Exploration costs written off	(387,738)	-
Operating loss		
- Continuing activities (110,380)	(848,466)	
- Acquired activities	-	99,552
Exceptional item	(848,466)	(209,932)
Profit on disposal of assets	-	77,828
Interest income	(848,466) 56,348	(132,104) 14,716
Loss before taxation	(792,118)	(117,388)
Taxation	-	-
Loss for the period after taxation	(792,118)	(117,388)
Loss per share	(0.79c)	(0.18c)
Loss per share - diluted	(0.79c)	(0.18c)

The results above are derived from continuing activities.

**Consolidated Statement of Total Recognised Gains and Losses for the Eight Months Ended 31 December 2004**

	8 months ended 31 December 2004	12 months ended 30 April 2004
	€	€
Loss for the period	(792,118)	(117,388)
Exchange gains on foreign currency net investments	6,300	10,525
Total recognised losses for the period	(785,818)	(106,863)

Consolidated Balance Sheet at 31 December 2004

	31 December 2004	30 April 2004
	€	€
Fixed assets		
Intangible assets	6,527,073	5,810,617
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Current assets		
Bank	6,644,332	1,947,447
Debtors	43,605	13,555
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	6,687,937	1,961,002
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Creditors		
Amounts falling due within one year	(541,981)	(343,259)
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Net current assets	6,145,956	1,617,743
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Net assets	12,673,029	7,428,360
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Capital and reserves		
Called-up share capital	4,073,554	3,562,191
Share premium account	13,869,835	8,350,711
Profit and loss account - (deficit)	(5,314,817)	(4,528,999)
Capital conversion reserve fund	44,457	44,457
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Shareholders' funds	12,673,029	7,428,360
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Analysed as:		
Equity	10,260,527	5,015,858
Non-equity	2,412,502	2,412,502
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	12,673,029	7,428,360
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**Consolidated Cash Flow Statement for the Eight Months Ended 31 December 2004**

	8 months ended 31 December 2004	12 months ended 30 April 2004
	€	€
Net cash outflow from operating activities	(285,756)	(251,666)
Returns on investments and servicing of finance		
Interest received	56,348	14,716
Net cash inflow from returns on investments and servicing of finance	56,348	14,716
Capital expenditure and financial investment		
Payments in respect of fixed assets	(1,104,194)	(500,961)
Net cash outflow from capital expenditure and financial investment	(1,333,602)	(486,245)
Acquisitions and disposals		
Purchase of subsidiaries	-	(27,017)
Net cash acquired with subsidiaries	-	432,741
Sale of subsidiary	-	100,000
Expenses on sale of subsidiaries	-	(22,172)
Net cash outflow from acquisitions and disposals	-	483,552
Net cash outflow before use of liquid resources and financing	(1,333,602)	(254,358)
Financing		
Shares capital issued for cash	6,419,249	2,294,203
Cost of issue of share capital	(388,762)	(115,323)
Net cash flow from financing	6,030,487	2,178,880
Increase in cash	4,696,885	1,924,522

