

BILBAO PROJECT, ZACATECAS, MEXICO

LONDON: August 3, 2006: AIM quoted precious and base metals explorer and developer Minco plc ("MIO") is pleased to announce the discovery of additional zones of mineralisation on its Bilbao silver, zinc, lead, gold, copper project in Zacatecas, Mexico.

- **Drilling intersects 3 metres with an average grade of 24.92% combined lead and zinc, 1.19% copper, and 224g/t silver**
- **Second diamond drill commissioned, the third is being mobilised**
- **Three additional licences at Bilbao acquired**
- **Expansion of 1997 pre-feasibility study of open pit oxide resource of 2.44 million tonnes at 3.73% zinc, 92 grams per tonne silver, 3.3% lead, 0.39% copper**

The drilling programme at the Bilbao Project near Zacatecas, Mexico was initiated to upgrade the silver, zinc, copper and lead oxide resources to a depth of 80 metres. These near surface resources were the subject of a 1997 open pit preliminary feasibility study. During the drilling programme it was decided to test for deeper unoxidized primary sulphide mineralization. Three holes have now struck a major zone of sulphide mineralization at a depth of approximately 150 metres with thicknesses of 25 to 35 metres. The three holes are 100 metres apart which suggests a major deposit could be present. Minco now has three objectives on Bilbao, and the company's adjoining licenses. Update the open pit study, determine the size of the sulphide zone and commence drilling on the high grade silver veins on the adjoining licenses.

Zinc (Zn), silver (Ag), lead (Pb), copper (Cu) diamond drill assay results

Drill hole X13, collared approximately 100 metres to the west of hole B-6A (previously reported), has intersected a 35.00 metre thick zone of massive sulphide mineralisation with strong zinc, silver, lead, copper mineralisation (galena, sphalerite and chalcopyrite) occurring between 166.95 and 201.95 metres.

The overall grade of the massive sulphide intersection is 4.92% lead, 5.57% zinc, 0.33% copper and 80g/t silver over a width of 35.00 metres. Within this intersection there is a three metre intersection averaging 24.92% combined lead and zinc together with 1.19% copper and 224g/t silver.

Prior to Minco's current drilling programme, no investigations had previously been made below the surface oxide zone.

A summary of the new sulphide intersection is given below (assays by SGS Laboratories, Durango, Mexico):

Table of preliminary assay results hole X-13

From (m)	To (m)	Intersection (m)	Zinc (%)	Lead (%)	Copper (%)	Silver (g/t)
166.95	201.95	35.00	5.57	4.92	0.33	80.0
Including						
168.95	170.95	2.00	6.00	7.93	0.28	31.0
172.95	175.95	3.00	14.38	10.54	1.19	224.0
180.95	183.95	3.00	6.75	5.50	0.37	204.0
186.95	190.95	4.00	5.77	5.53	0.26	48.0
192.95	200.95	8.00	6.33	5.31	0.33	49.0

Complete assay results for all the holes will be reported when available. The drill programme is ongoing.

Third diamond drill rig planned for August

A second diamond drill rig was commissioned on July 27th to accelerate the drill programme and a third drill is planned to start work in mid August.

Initiative to update 1997 pre-feasibility study

The oxide portion of the mineralised body at Bilbao occurs above the 76 metre level. Initial analyses, based on the results of drill hole B-2 confirms a 14.3 metre interval of oxide mineralisation with lead, zinc, silver, gold, copper and tin values.

In 1994 Watts,Griffis & McOuat (WGM) was commissioned by Kildonan Inc, a former claim holder, to prepare a resource report based primarily on channel sampling. The surface oxide resource reported by WGM was: 2.44 million tonnes at 3.73% zinc, 92 grams per tonne silver, 3.3% lead, 0.39% copper

This surface oxide resource can be mined by open pit methods at a low stripping ratio. In 1994, WGM calculated an oxide resource in compliance with the inferred category of the Australian Guidelines for Reporting Identified Mineral Resources and Ore Reserves. Minco has now engaged Behre Dolbear de Mexico to undertake an independent review of the historical data from Bilbao, including a complete review and update of the existing oxide resource estimate following Minco's drilling programme, and to update a Kilborn/SNC Lavalin 1997 pre-feasibility study prepared by on these oxide resources.

Minco is currently drilling the oxide resource on a grid pattern to verify grade and distribution within the outline of the open pit designed by Kilborn/SNC Lavalin. Assay data for the oxide intersections encountered in the recent drilling are awaited.

Bilbao Project Exploration Update

The Bilbao project comprises approximately 1,292 hectares located approximately 56 kilometres southeast of the city of Zacatecas in central Mexico within the Panfilo Natera mining district. It is located contiguous and to northwest of Minco's 100% owned El Morro exploration concession area which covers an area of approximately 4,000 hectares contiguously along the same granite-sediment contact to the south of Bilbao. In addition, Minco's Milagros concession, comprising approximately 2,000 hectares, lies a further 10 km to the south of El Morro, also within the Panfilo Natera mining district.

The Bilbao oxides are a limestone-hosted replacement deposit occurring along the contact of the La Blanca granitic pluton. The deposit contains silver, zinc, copper, lead and tin as the

major metallic components. Above a depth of approximately 80 metres the deposit is oxidized.

Regional exploration on Minco's adjacent claim holdings in the El Milagros area has recently outlined a number of prospective vein structures at Rancho Nuevo where strong silver, copper, lead, zinc, and gold soil geochemical anomalies have been identified over a strike length of 1,200 metres. The San Jose and Zancarron vein systems at Milagros have high grade silver potential and will be the focus of an initial 3,000 metre drill programme planned to commence in the second half of August with the addition of a third drill.

Because of the encouraging results emerging from Bilbao and the significant land holding already held by Minco in the Panfilo Natera mining district, Minco plans to concentrate its exploration focus in Zacatecas at this time.

Minco acquires additional licenses

Minco entered into an Option and Joint Venture Agreement on the Bilbao Project with Shoshone Mexico, S.A. de C.V., a subsidiary of Shoshone Silver Mining Company of Kellogg, Idaho (OTC: "SHSH") in March 2006 and is currently carrying out a USD\$500,000 first-stage due diligence programme.

Minco has recently completed the acquisition of three additional claim blocks, the El Porvenir, the El Milagro and the La Guera claims, situated within the Bilbao area for a total consideration of USD\$80,000, payable in two phases, with USD\$55,000 having been paid immediately with the balance due in twelve months.

Terence McKillen, Director of Exploration & Business Development, stated:

"The substantial intersections of sulphide mineralization encountered in holes X-13 and B-6A, as well as 33 metres of massive sulphide mineralisation observed, but not yet assayed, in hole X-11, from 146 to 179 metres depth, leads us to believe we have found a substantial sulphide zone beneath the oxides. We are particularly pleased with the wide intersections and the strong zinc, silver, copper, and lead values within both the oxide and sulphide zones. For this reason we added the second drill to accelerate the programme and the third drill should arrive in the near future. The update of the 1997 Kilborn/SNC Lavalin open pit pre-feasibility study by Behre Dolbear de Mexico, which will include the updated resources following the results of our oxide drilling programme, is also eagerly awaited. The regional exploration work on our substantial contiguous and adjoining licences is encouraging and we believe that the ongoing geochemical, geophysical, trenching and drilling programmes will yield further success. The objectives are to prove a major sulphide deposit at Bilbao, complete the updated pre-feasibility study on potential open pit mining on the Bilbao oxides, and to evaluate the potential for high grade silver and zinc on the El Morro and Milagros licences as quickly as possible. We look forward to reporting progress."

Qualified Person

The information presented in this press release has been reviewed and verified by Mr. Terence N. McKillen, B.A. (MOD), M.A., M.Sc., P.Geo, Director of Exploration and Business Development. 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 Geology from Trinity College Dublin and holds a Master of Science degree in Economic Geology from the University of Leicester in the UK. He has over 38 years of exploration experience.

About Minco:

Minco PLC is an AIM quoted precious and base metals exploration and development company with silver projects in Mexico and zinc exploration in Ireland.

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