

# Minco Plc

## Press Release

### **Drilling Results and Update – Bilbao Project, Zacatecas, Mexico**

London, 13 December 2006 - Minco plc, (MIO), the AIM listed precious and base metals exploration and development company today announces an update on its drilling and evaluation programmes at the Bilbao zinc-silver-copper-lead project in Zacatecas, Mexico.

- **Recent drilling extends the southern and western limits of the known zinc-silver-copper-lead mineralisation at Bilbao**
- **Mineralisation remains open in depth and along strike**
- **Resource evaluation for sulphide mineralization to be completed by early January 2007**
- **Prefeasibility Study to be completed in early 2007**
- **To date, a total of 7,135 metres of diamond drilling has been completed**

Minco's Executive Chairman, Roger Turner, commented *"The continuing success of drilling at Bilbao is adding significant potential to the size and extent of the mineralised base metal and silver ore bodies and has encouraged us to embark upon a Prefeasibility Study to be completed early in 2007. We anticipate completing our initial resource evaluation based on drill results to-date by early January 2007."*

#### **Latest Drilling Results**

A total of 2,285 metres of diamond drilling has been completed on the Bilbao deposit since the previous release on October 23, 2006 for a total of 7,135 metres. Results for drill holes X14 to X19 are reported below. Holes X20, X21, X23 and X24, 100 metres step-out holes, have all intersected visible zones of base metal and silver massive sulphide mineralization, extending the known extent of the sulphide deposit over an area of about 225 metres by 300 metres and over thicknesses up to 35 metres. In particular, hole X21 has intersected semi-massive to massive sulphides associated with a chlorite skarn over 70 metres down dip of a well mineralised intersection in hole X19.

These new intersections confirm that mineralisation remains open in depth to the south and along strike to the west. The 5.0 metre intersection in hole X20 averaging 4.95% zinc, 6.01% lead, 0.41% copper and 134 grams per tonne silver, is considered to be particularly important in this regard.

Wider spaced drilling outside of the main mineralised zone has demonstrated that mineralisation is widespread within the Bilbao property. Holes X22 and X25 located respectively 500 metres and 637 metres to the southeast of the known mineralization, intersected semi-massive sulphide mineralization over intervals of 11.85 metres and 2.80 metres respectively. These intersections are not believed to be part of the main sulphide body and suggest a separate mineralised zone.

The oxide mineralization occurs in two zones, as indicated in drill hole X14, one with a thickness of 17.30 metres averaging 4.09% zinc, 4.05% lead, 0.66% copper and 91grams per tonne silver and a further zone of 7.0 metres thickness averaging 3.42% zinc, 4.10% lead, 0.60% copper and 91grams per tonne silver. Sampling of the oxides has been undertaken in all of the old open-cuts as well as on the underground 40 metre Level.

Drilling is ongoing with two drill rigs.

#### **Resource Estimate and Pre-Feasibility Study are Underway**

A Datamine study of the sulphide deposits commenced in mid November which is expected to produce an initial resource estimate by early January, 2007 based on drill hole data completed by that time.

Metallurgical and mineralogical test work has commenced on the Bilbao sulphide mineralization which together with other studies will form part of a Prefeasibility Report which has been commissioned under the leadership of Mr. Al Summers, an independent consulting mining engineer and former Vice President of Operations, Hecla Mining Inc.

### Adjacent Mineral Licenses Acquired

In a follow up to Minco's success at Bilbao, further areas of mineral claims have been acquired in the Panfilo Natera Mining district. Three claims, totalling 2,524 hectares have been acquired surrounding Minco's holdings in the Milagros area and a further 7,200 hectares have been acquired in the Villa de Ramos silver district. All of these claim groups are underlain by the Chilitos volcano-sedimentary sequences which are prospective for massive sulphide occurrences. The total claim area held by Minco in the Panfilo Natera Mining district near Zacatecas, including Bilbao, is now 16,833 hectares.

Results of the Bilbao drilling campaign are summarised in the following table:

### New Drill Results from Bilbao

	Hole	From (m)	To (m)	Width (m)	Zinc %	Lead %	Copper %	Silver g/t
Oxide	X14	41.70	59.00	17.30	4.09	4.05	0.66	91
Oxide	X14	69.00	76.00	7.00	3.42	4.10	0.60	91
Sulphide	X14	184.00	193.00	9.00	3.50	1.18	0.31	86
Oxide*	X15	57.00	60.00	3.00	2.03	3.55	0.05	53
Oxide	X15	96.00	106.00	10.00	1.49	2.19	0.17	38
Oxide	X15	118.00	124.00	6.00	1.70	3.69	0.23	161
Sulphide	X15	207.00	213.00	6.00	1.64	1.59	0.63	136
Sulphide	X19	194.00	206.00	12.00	2.24	3.53	0.30	37
Sulphide	X19	237.00	243.00	6.00	3.91	3.53	0.20	37
Sulphide	X19	256.00	264.00	8.00	2.02	3.04	0.15	140
Sulphide	X20	194.00	200.00	6.00	3.36	0.84	0.23	114
Sulphide	X20	208.00	213.00	5.00	4.95	1.66	0.28	81

### New Drill Intersections from Bilbao (Assays Awaited)

	Hole	From (m)	To (m)	Width (m)	
Oxide	B6B	186.00	189.40	3.40	Waiting for Assays
Sulphide	X18	228.50	237.00	8.50	Waiting for Assays
Sulphide	X21	242.00	274.00	32.00	Waiting for Assays
Sulphide	X21	274.00	291.00	17.00	Waiting for Assays
Sulphide	X22	210.30	213.20	2.90	Waiting for Assays
Sulphide	X22	233.30	245.15	11.85	Waiting for Assays
Sulphide	X23	252.50	253.80	1.30	Waiting for Assays
Oxide	X24	136.50	138.80	2.30	Waiting for Assays
Oxide	X24	154.60	168.80	14.20	Waiting for Assays
Sulphide	X24	210.60	213.05	2.45	Waiting for Assays
Sulphide	X24	217.70	222.55	4.85	Waiting for Assays
Sulphide	X24	224.40	225.75	1.35	Waiting for Assays
Sulphide	X25	110.50	113.40	2.80	Waiting for Assays

## Drill Results from Bilbao (Previously Released)

	Hole	From (m)	To (m)	Width (m)	Zinc %	Lead %	Copper %	Silver g/t
Oxide*	B2	10.63	14.30	3.67	1.52	5.35	0.20	77
Oxide*	B6A	77.50	80.75	3.25	0.87	0.35	0.55	102
Oxide*	B6A	151.30	153.90	2.60	1.22	1.59	0.03	149
Sulphide*	B6A	224.00	225.50	1.50	4.21	0.73	0.10	89
Oxide*	X3	24.00	31.00	7.00	2.50	2.17	0.14	12
Oxide*	X10	4.00	33.00	29.00	1.54	4.17	0.19	16
Oxide*	X10	75.00	97.00	22.00	2.35	0.63	0.63	14
Oxide*	X10	103.00	113.00	10.00	3.32	1.66	0.20	60
Sulphide*	X10	116.00	141.00	25.00	3.49	2.75	0.26	141
Oxide*	X11	17.00	42.00	25.00	1.25	2.38	0.10	47
Oxide*	X11	69.00	73.00	4.00	4.13	0.50	0.29	71
Sulphide*	X11	153.00	175.00	22.00	6.85	1.39	0.22	100
Oxide*	X13	31.00	42.00	11.00	2.50	4.62	0.16	33
Oxide*	X13	132.50	151.80	19.30	8.36	1.52	0.10	23
Sulphide*	X13	166.95	201.95	35.00	5.57	4.92	0.33	80

## Background

The Bilbao site was mined for oxide ores prior to closure during the 1940s. In 1994, Watts Griffis & McQuat prepared a resource estimate on behalf of Minera Portree amounting to 3.2 million tonnes at an average grade of 3.9% zinc equivalent using a 0% cut-off grade. This work was also the basis of outline engineering and metallurgical studies by Kilborn Engineering and Lakefield Research which were completed in 1995 and 1997.

In June 2006, Minco initiated a drilling programme to verify this historic oxide resource. The initial objective of the programme was to bring resources to current reporting standards and provide data in order to evaluate the viability of re-establishing oxide ore production using acid leach technology. This programme continues and Minco expects to be able to report on such resources early in 2007.

During the course of the programme Minco elected to test the potential for underlying sulphide mineralisation beneath the oxides. This programme was able to report initial intersections of previously undiscovered primary sulphide mineralisation in June 2006. Since that time, drilling has continued to intersect sulphide zinc-copper-lead-silver mineralisation up to 35 metres wide at depths ranging from 115 metres to 260 metres.

Currently drilling shows sulphide mineralisation extending over an area of some 225 metres along strike and 300 metres down dip towards the southwest. Mineralisation remains open both along strike and down dip and Minco is continuing to drill to establish the lateral extent of the mineralisation.

## Qualified Person

Dr. Anthony C. Gallon, C.Eng., Chief Geologist, is the Qualified Person responsible for overseeing the day to day exploration work at Bilbao. Dr. Gallon is a graduate of the Universities of Leeds and Nottingham has over 38 years of exploration experience. The information in this press release has been reviewed and verified by Mr. Terence N McKillen, BA (MOD), MA, 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 Mineral Exploration and Mining Geology from the University of Leicester. He has over 38 years of exploration experience.

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