

Minco Plc

Press Release

Interim Report for the six months ended 30 June 2007

London, 28 September, 2007 - Minco plc (MIO), the London AIM quoted precious and base metals exploration and development company is pleased to report its interim results for the six months ended 30 June 2007.

MINCO OPERATIONS

Minco is involved with exploration and project developments in Ireland and Mexico and has focused on base metals and also precious metals, namely lead, zinc, copper and silver. There has been a dramatic upward trend in the prices of these metals. At the time of writing, the silver price is US\$13.50 an ounce, zinc US\$2,860 a tonne, lead \$3,450 a tonne and copper US\$7,930 a tonne. Two years ago these prices were \$7.50, \$1,200, \$1,000 and \$4,000 respectively.

It has been an important year for Minco, a year in which the consolidation of activities in Mexico was started, and through the advancement of the Bilbao project, the goal of transforming Minco from essentially a single project company to one with several near-term production opportunities was achieved. Exploration efforts at Bilbao have been rewarding and have resulted in the definition of a significant precious and base metal resource within a short period of time.

Bilbao Project

During the first half of 2007, following the completion of the drilling programme that discovered the sulphide resources below the oxides, Minco completed a pre-feasibility study on the deeper sulphide deposits and updated an earlier pre-feasibility study on the near-surface oxide resource. These studies show that both the open pit mine oxide and underground mine sulphide projects are economically robust. Minco plans to carry out further infill drilling to upgrade both the sulphide and oxide resources and bring them to conformity with NI 43-101/JORC standards. This will continue with a programme of step-out drilling to add additional tonnage to the resource and complete further metallurgical testing. This work will form part of two detailed feasibility studies, the open pit oxide mine and underground mine on the underlying sulphide deposit.

Laguna Project

At Laguna, alternatives for mining, processing and tailings disposal have been studied but the rapid advancement of the Bilbao project and necessity to husband financial resources carefully meant that a definitive conclusion on a number of these issues has not yet been reached but will be addressed in the coming months with a view to finally bringing Laguna to a construction financing decision.

Mexican Exploration

Minco has acquired a number of additional exploration licences in the Panfilo Natera district surrounding Bilbao and now has over 18,000 hectares of prospective exploration ground on which a number of targets have been identified that are ready for initial drill testing. These targets could represent a number of different types of mineral deposit for which the area has potential, including replacement-type massive sulphides (as found at Bilbao), volcanogenic massive sulphides (as found at the nearby San Nicholas deposit), and high grade silver-zinc vein systems (as encountered already at Bilbao and at the nearby Santa Rita and San José mines).

Minera Sisa (Santa Cruz Project)

As part of the rationalization of its Mexican interests Minco recently announced the sale of its 50% interest in Minera Sisa, S.A. de C.V. to a local partner for a consideration of US\$3.5 million to be received in tranches over the next two years. The first payment of US\$400,000 was received in July. In the event that any of the payments are not made, Minco has the right to reacquire the full 50% interest for a consideration of US\$2,500.

Pallas Green Project

At Pallas Green, in Co. Limerick, results obtained from the drilling carried out in 2006 were particularly encouraging and clearly indicated that the Caherconlish area had the potential to host a major zinc deposit. This has been borne out during the first 8 months of 2007 as drilling has continued to deliver very promising results with some very wide intervals of sulphide mineralization being intersected at the Tobermalug prospect (Caherconlish North) and with some of the highest zinc and lead values ever reported from any of the Irish base metal deposits. In May the number of diamond drills employed was increased from two to five rigs.

A recent evaluation of the drilling carried out by Peter Tyler, Minco's consulting geologist, suggests that the size and extent of the mineralizing process at Tobermalug appears to be significantly persistent and widespread. Minco believes that the main "core" zones of high grade mineralization expected to be associated with such mineralization will be located in an area to the south and west of the current drilling. Minco believes that these potential areas of "core" mineralization will contain thicker and higher grade mineralization than encountered to date and will occur adjacent to major controlling fault structures.

Financing & Restructuring

Minco completed a small financing in London in July 2007 when 7,500,000 shares were placed for total proceeds of £525,000.

On September 19th 2007 the outcome of negotiations with Pacific Road Capital Management Pty Limited (PRCM), an Australian based private resource equity fund, was announced pursuant to which Minco had entered into an agreement for the financing of Minco's Mexican projects. As part of the arrangements, the company has placed its Mexican assets into a newly registered Ontario company known as Orca Minerals Limited (Orca) in which Minco owns 30 million shares.

PCRCM has invested CAN\$2.12 million by way of CAN\$0.50 Special Warrants in Orca which will convert into 4.24 million shares in Orca if it secures a listing on or before March 31st 2008 in Toronto, or other exchange.

Subject to further due diligence PRCM will make an initial direct project investment of US\$2.75 million in the Bilbao and Laguna projects and have an option to provide between CAN\$2 and CAN\$5 million of additional financing or to provide further project financing which will be convertible into shares of Orca based on the 30 day average trading price at the time of conversion.

Roger Turner, John Kearney, Terence McKillen, Danesh Varma and Ian Smith form the initial board of directors of Orca Minerals, with Terence McKillen and Danesh Varma, having been appointed President and Chief Executive Officer and Chief Financial Officer respectively. Mr. Lee Graber, representing PRCM, will join the board of Orca as an independent Director subject to regulatory and other approvals.

Under the Agreement with PRCM, if Orca has not achieved a listing of its shares on the TSXV or other Exchange prior to March 31, 2008 the CAN\$2.12 million and other investment held by PRCM to a minimum of US\$2.75million, will be convertible at PRCM's option into ordinary shares of Minco at a 10% discount to the average 30 day trading price at the time of conversion.

PCRM has irrevocably and unconditionally undertaken that PRCM shall not conduct any activities or effect any transaction pursuant to the Agreement which would result in an event exceeding 75% in any of the class tests provided for in the AIM Rules of the London Stock Exchange plc ('AIM Rules'), to which Minco is subject. PRCM and Minco have also irrevocably and unconditionally undertaken that if PRCM and Minco agree to conduct any activities or effect any transaction pursuant to the Agreement which would result in a figure exceeding 75% in any of the class tests provided for in the AIM Rules, that they will ensure that a meeting of the shareholders of Minco is held in order to approve any such transaction in accordance with the AIM Rules. In addition, PRCM and Minco have confirmed their commitment to fulfil the terms of the Agreement subject to all regulatory and other consents and authorizations required in all relevant jurisdictions, including but not limited to the AIM Rules and the Irish Takeover Code.

The Future

Minco is now positioned to reap the benefit of significant and sustainable financing for its Mexican assets which should lead to an early production decision on one or more of the development projects, to continue with its exploration programmes in Zacatecas and to be in a position to participate fully in the development of the ongoing discoveries at Pallas Green.

Roger Turner

Chairman & CEO

Financial Information (unaudited)

Consolidated Income Statement

6 Months Ended June 2007

	6 Months ended 30 June 2007 \$000	6 Months ended 30 June 2006 \$000
General and administration expenses	(441)	(664)
Foreign exchange loss	-	(145)
	(441)	(664)
Operating loss	(441)	(664)
Interest income	10	105
Loss before taxation	(431)	(559)
Taxation	-	-
LOSS AFTER TAXATION	(431)	(559)
Loss per share	(0.27c)	(0.35c)

Consolidated Balance Sheet

As at 30 June 2007

	Notes	30 June 2007 \$000	31 Dec 2006 \$000
FIXED ASSETS			
Intangible assets	5	14,979	17,057
Sale proceeds receivable	5	3,150	
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CURRENT ASSETS			
Cash and bank		274	1,842
Debtors	5	145	91
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		419	1,933
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CREDITORS			
Amount falling due within one year		(539)	(694)
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NET CURRENT ASSETS		(120)	1,239
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NET ASSETS		18,009	18,296
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CAPITAL & RESERVES			
Called-up share capital		4,465	4,449
Share premium account		21,049	20,936
Share option reserve	6	291	168
Foreign currency translation reserve		1,098	1,159
Profit and loss account - deficit		(8,933)	(8,458)
Capital conversion reserve fund		39	39
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SHAREHOLDER'S FUNDS		18,009	18,293
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MINORITY INTEREST		-	3
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		18,009	18,296
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Analysed as:			
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EQUITY		15,903	16,190
NON-EQUITY		2,106	2,106
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		18,009	18,296
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Consolidated Cash Flow Statement

As at 30 June 2007

	Notes	6 Months ended 30 June 2007 \$000	6 Months ended 30 June 2006 \$000
Operating loss		(441)	(664)
Add: Share-based payment charge	6	123	50
Operating cash flow before movements in working capital		(318)	(614)
Decrease in creditors (Increase)/decrease in trade debtors		(155) (54)	(44) (143)
Net cash outflow from operating activities		(527)	(801)
Returns on investments and servicing of finance			
Interest received		10	105
Capital expenditure and financial investment			
Payment in respect of intangible assets		(1,072)	(1,175)
Net cash outflow from capital investment and financial investment		(1,062)	(1,070)
Net cash outflow before use of liquid resources and financing		(1,589)	(1,871)
Financing			
Share capital issued for cash		129	-
Net cash in flow from financing		129	-
Effect of foreign exchange rate changes		(108)	(15)
Decrease in cash		(1,568)	(1,886)

Consolidated Statement of Changes in Equity

6 months ended 30 June 2007

	Called-up Share Capital	Share Premium Account	Capital Conversion Reserve Fund	Foreign Currency Translation Reserve	Share Option Reserve	Retained Earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance as at 1 January 2006	4,431	20,639	39	360	158	(7,152)	18,475
Proceeds on share issue	18	297	-	-	-	-	315
Share-based payments charge	-	-	-	-	50	-	50
Movement in Foreign Currency Translation Reserve	-	-	-	474	-	-	474
Loss for the period	-	-	-	-	-	(559)	(559)
Other recognised income and expense	-	-	-	-	-	(341)	(341)
Balance as at 30 June 2006	4,449	20,936	39	834	208	(8,052)	18,414
Balance as at 1 January 2007	4,449	20,936	39	1,159	168	(8,458)	18,293
Proceeds on share issue	16	113	-	-	-	-	129
Share-based payments charge	-	-	-	-	123	-	123
Movement in Foreign Currency Translation Reserve	-	-	-	61	-	-	61
Loss for the period	-	-	-	-	-	431	431
Other recognised income and expense	-	-	-	-	-	44	44
Balance as at 30 June 2007	4,465	21,049	39	1,098	291	(8,933)	18,009

Notes:

1. No dividend is proposed in respect of the period.
2. The calculations of loss per share have been based on the retained loss after taxation for the period and on a weighted average ordinary shares of 160,428,857 (June 2006 - 159,673,580) in issue during the period.
3. The interim unaudited results have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRSs). The comparative financial information set out in this report is based on the financial statements of the Group which were prepared in accordance with accounting policies adopted in the audit accounts for the year ended 31 December 2006. The underlying financial information has been restated in accordance with IFRSs. The adoption of IFRSs has no significant impact on the accounting policies and resulted in no adjustments to the results and net assets of the group for the 6 months ended 30 June 2007.

4. The interim report is un-audited and does not constitute Statutory Accounts as defined in S.148 of the Companies Act 1963. A copy of the Group's 2006 Statutory Accounts has been filed with the Irish authorities. The auditors' opinion on these statutory Financial Statements was unqualified.
5. On 14 June 2007 the Company sold its 50% interest in Minera Sisa for US\$ 3.5 million to Silverex SA de CV, a Mexican Company allied to the partner on the project. Accordingly \$3.15m (net of commission) has been shown as receivable.
The main features of the agreement are:
 - > US\$400,000 was payable on or before July 2, 2007
 - > A further US\$400,000 is payable on or before 15th June 2008
 - > A further US\$ 2,200,000 is payable on or before 31st December 2009
 - > In addition, two cash payments of US\$250,000 each due respectively on or before 31st December 2010 and 31st Dec 2011, or at Minco's election, a net smelter royalty of 0.5% on production from the Minera Sisa properties
 - > In the event of non payment of the above payments, Minco has the right to reacquire a 50% interest in Minera Sisa for a consideration of MN\$25,000 (~US\$2,500).
6. IFRS 2 'Share-based Payments' requires the recognition of share-based payments (which in the case of the group during the period are share options only) at fair value at the date of grant. The fair value of the options to be expensed has been determined by a Black-Scholes option pricing model using a volatility factor of 69.16% and an option life of 7 years as the significant assumptions.

7. The following is an analysis of the total recognised income and expenses.

	30 June 2007	30 June 2006
	\$000	\$000
Loss for the period	(431)	(1,018)
Exchange losses on foreign currency net investments	(44)	(288)
Prior year adjustment		(158)
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Total recognised losses for the period	(475)	(1,464)

8. On 30 July 2007 the company raised gross proceeds of £525,000 following the issue of 7,500,000 shares for cash.
9. The Interim Report for the six months to 30 June 2007 was approved by the Directors on 21 September 2007.

Copies of this announcement will be sent to shareholders and will be available for inspection at the Company's registered office at Connaught House, Burlington Road, Ballsbridge, Dublin 4, Ireland.

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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