



MINCO plc

Annual Report and Accounts 2003

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Minco Annual Report
and Accounts 2003

>>Chairman's Statement

This is an exciting time for Minco shareholders. The recent acquisition of Orca Gold and the expansion of our gold and zinc interests in Ireland, gives Minco significant exploration opportunities in precious metals. This, at a time, when many believe that the price cycle for gold, silver and zinc has turned upward. We now have high potential silver licenses in Mexico, excellent gold properties in Ireland and we are examining additional gold opportunities in Central Asia and Mexico.

During the year we purchased the Irish gold and zinc interests of Ennex International. This gave us a 2% royalty in the Curraghinalt gold property in Northern Ireland as well as increasing to 100% our interest in four zinc licences in the Irish midlands.

While our focus is on precious metals, let me not forget our superb portfolio of zinc exploration properties. We have 33 top class zinc exploration licences in Ireland, including the highly prospective Pallas Green licence block, which we are exploring in joint venture with Noranda. During the year under review, we drilled a number of holes, all containing zinc mineralization. The historically low zinc price devastated exploration budgets and it was believed that Noranda was exiting exploration in Ireland. I am delighted to report that, following negotiations between Minco and Noranda, we will drill in 2004.

The increased level of activity requires more management. I am delighted to report that three highly experienced managers have become executive directors. Roger Turner, the Deputy Chairman, is a well known and widely experienced gold explorer. He was a founder director of Nelson Gold and of the current stock exchange favourite, Oxus Gold. He brings unrivalled expertise in Central Asia. Matthew Dorman, who is Minco Chief Executive Officer, is an experienced metallurgist who has worked in precious metals in Central America and Uzbekistan. Roger and Matthew founded Orca Gold. Richard Thornton, who is now Finance Director of Minco, is a Chartered Accountant with many years experience in U.K. industry.

Paul Power, who has been on the board of the company since it was reformed in the eighties, has resigned. We soldiered through many campaigns and I am very grateful for all his help and assistance through the years.

Forthcoming Activity

The coming year will see us working on five fronts:

1. We are already prospecting on our Irish gold licences in Avoca, Co. Wicklow and Tipperkevin, Co. Kildare. This programme involves geophysical, geochemical and drilling elements.
2. The Laguna silver tailings project in Zacatecas, Mexico contains up to 24 million ounces of recoverable silver. We will finalise negotiations with the Mexican authorities and with local landowners. An existing prefeasibility study will be updated.

3. Zacatecas province in Mexico has been the centre of silver production for hundreds of years. Mexico is the world's biggest silver producer. We hold 22 silver concessions in Zacatecas. We are currently prioritizing an exploration programme for 2004. Most of the concessions are former producers. Any explorer will tell you, the best place to find a mine is where there was a mine.
4. A team has been recruited in Central Asia to examine potential gold opportunities.
5. As outlined earlier, Minco and Noranda will continue drilling Pallas Green in Ireland in 2004. This 25 km. long strike zone has all of the indicators necessary for a large zinc deposit. We need to drill more holes.

Prospects for Precious Metals

Many of us believe that the long bear market in gold and silver is over.

The gold price of \$370 an oz looks set to rise further. And so it should. After a 20 year decline, the price curve is showing strong signs of a sustained rise. The deficit in new gold production compared to demand has been well known for years but is finally affecting price. Closure of hedging positions and more certainty in relation to central bank sales is giving confidence to investors.

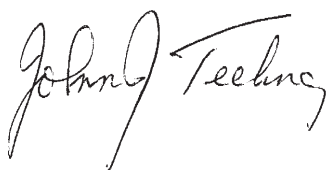
If gold is looking good then silver is looking spectacular. Silver at \$5.00 an oz or less is too cheap. For 4000 years there was a 40 to 1 gold to silver price relationship. That implies a current silver price of \$8.50 an oz of silver which makes economic sense. The demonetization of silver and the position of silver production as a byproduct of base metal output has shattered the price relationship. However, silver fundamentals look stronger now than they have in decades. Demand is rising while supply is falling. There are few pure silver mines in the world. Mexico is the world's largest silver producer. The Minco\Orca concessions are in the center of the Zacatecas silver province and all have a history of silver production.

Funding

We have adequate funding for the exploration activities outlined above. Success will require further investment but funding success is never a problem.

Future

The new Minco is poised for action. We have the people, the projects and the money. The world economy is improving, demand for metals is rising, commodity and precious metals prices are rising. After a long period in the shade, our time in the sun may have arrived.



John Teeling
Chairman
24 October 2003

>>Review of Operations

MEXICO

Mexico is historically one of the world's largest silver producers, the Penoles Company operates the largest silver mine in the world and is currently expanding production to meet demand. Mexico has many benefits for mineral resource companies

- Political and financial stability
- Wide geological potential
- A comprehensive mining legal framework
- Modern communications and infrastructure
- Free trade agreements with major economies



Plate - Minco Project Locations in Mexico

Mexico is currently world leader in silver production, accounting for 16% of total world supply. There are currently over 50 registered mining companies operating in the country and silver production accounts for over 30% of total Mexican exports by value.

The exploration properties, split into 3 areas covering a total of 6,000 hectares, are in the historically famous Zacatecas area of Mexico, a region which produced approximately 70% of all silver, amounting to 1.2 billion ounces, shipped to Spain during the Spanish colonial era.

La Laguna

Negotiations with the Mexican Federal and State authorities for the rights to process the La Laguna silver tailings are underway. The tailings were produced during the colonial era and are primarily contained within the lake and its immediate surroundings. Mercury was used to extract silver and, as a result, the tailings contain elevated mercury levels. It is estimated that more than 70% of the remaining silver and gold can be extracted in addition to mercury using current processing methods.

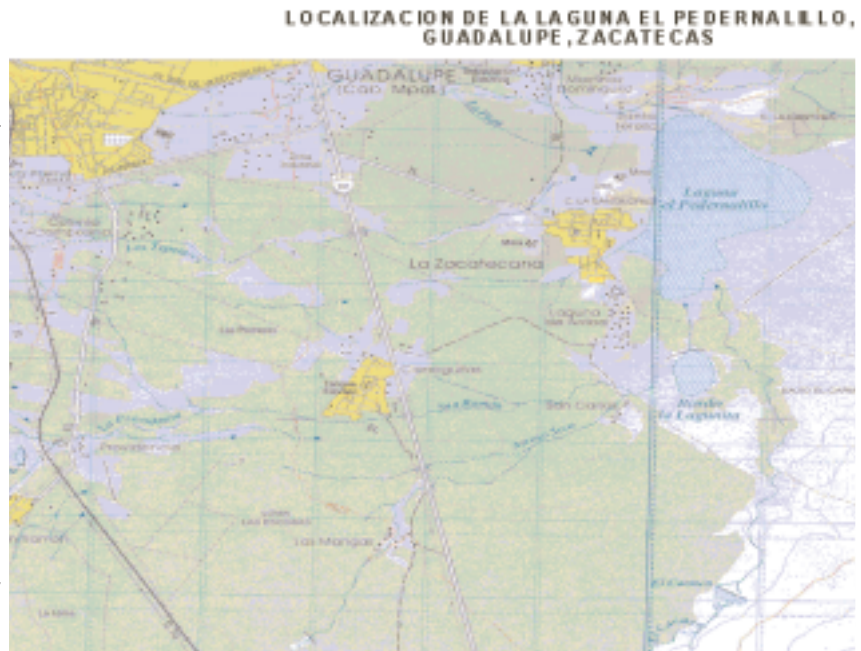


Plate - Location Map of La Laguna

The reduction of the mercury plus modern tailings deposition methods in a lined impoundment area has been met favourably by the authorities. This project was subject to a study by Kilborn Engineers in the mid 1990's which identified a possible reserve of 20 million tonnes of tailings with an average grade of 85 grams per tonne silver and 0.4 grams per tonne gold. Whilst negotiations for this project are not finalised, our proposal has been welcomed by the State authorities. This project offers the potential for early production and cash flow.

El Milagros

The rocks in the area are sedimentary inter-bedded with andesites dating from the Cretaceous period covered by more recent rhyolites. The Zancarron vein which occurs in the village of Milagros has been worked to a depth of about 80 metres down to the water table with reported grades of 1,600 grams per tonne. The mapped extent of the vein on the surface is approximately 1 kilometre.

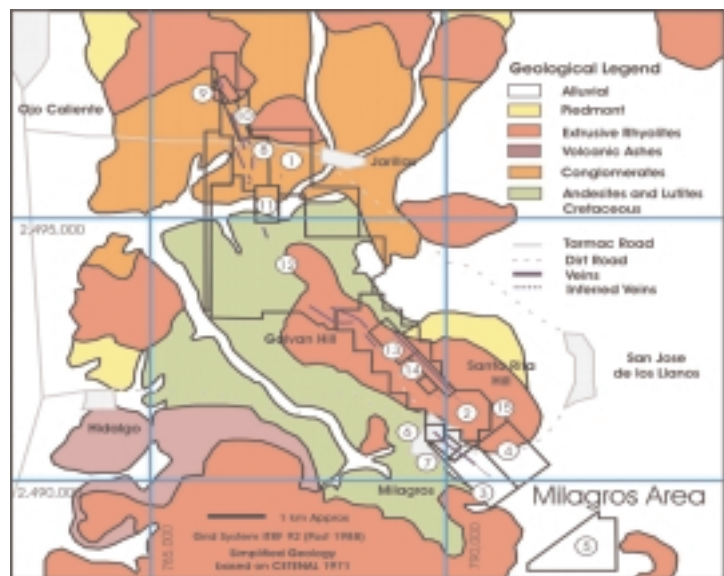


Plate - Local Geology and the Milagros Concessions.

Underground workings require dewatering before mapping and sampling can be carried out although a sampling programme on the extensive vein structures is underway.

The San Jose vein is the most important of this system. The vein has been worked for a length of about 225 meters to a maximum depth of 120 meters with an average vein width of 2 meters.

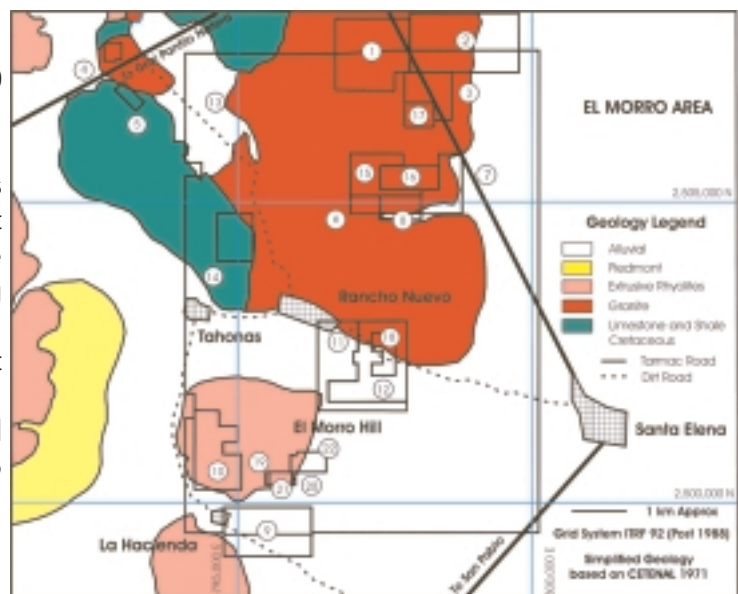
The inferred resource is 190,000 tonnes at a grade of 844 grams per tonne silver and 0.65 grams per tonne gold. Previous workings reported grades of over 1,000 grams per tonne silver over widths in excess of 2 meters. The Zancarron Vein has an inferred resource of 125,000 tonnes at a grade of 333 grams per tonne silver and 0.32 grams per tonne gold.



Underground Sampling in El Milagros

El Morro

These licences cover an area of 4,000 hectares. Mineralisation is associated with granodiorite intrusives which occur in Cretaceous limestones and sediments with inter-bedded andesites. The latest phase of intrusives and extrusives are associated with a rhyolitic volcanic plug forming El Morro Hill. The main mineralised zones are at the contact between the granodiorite and limestone. The area is currently being sampled and results will be evaluated prior to implementation of a phase 2 exploration programme.



Local Geology and the Morro Concessions.

There is considerable underground potential here as there are extensive old workings in the Morro hill which have not been evaluated since the colonial miners abandoned them. The area has considerable potential at depth. A number of old vertical and open mine shafts litter the area, along with collapsed near-surface workings where grades were up to 1,000 grams per tonne silver.

The area around La Haciendita comprises a labyrinth of underground workings. Even though these are not currently accessible, the scale of the development at the surface gives some indication at the sub-surface development. Numerous shafts are scattered around the area, both at La Haciendita and further down-slope towards the old amalgamation plant.



Shaft on El Morro Area.

Los Pinos

Los Pinos is situated approximately 100kms from Zacatecas and is a historically important gold producing area where grades of 30 to 50 grams per tonne of gold were the norm. Cretaceous limestones containing black cherts overlain by recent rhyolitic lavas and dykes are associated with mineralization, as well as the silicification of the limestones.

Sites for drilling offer excellent opportunities to intersect vein extension from known systems, although there are indications that the veins will dip outside the concessions currently held.



Los Pinos Gold Exploration Area.

Although all areas have a considerable history of mining there are, in fact, large areas of the concessions which are virgin. Previous mining occurred near the surface with workings being limited to the zone above the water table. There is, therefore, considerable potential for extensions in depth and also assess new structures that were either considered uneconomic at the turn of the 20th century or were never found.



General View of Los Pinos Exploration Area

IRELAND

Minco has interests in five blocks of base metal prospecting licences strategically located within the highly productive and prospective Midland Orefield of Ireland. Four of these properties are in the south-eastern quadrant of the orefield, which contains three of the five Irish carbonate hosted zinc-lead ore bodies, Lisheen, Galmoy and Silvermines. One of the properties (Pallas Green) is a joint venture with Noranda Inc.

Minco holds interests in six gold prospecting licences in Cos, Wicklow, Wexford and Kildare where the focus is on vein and shear-hosted gold as well as stratabound gold mineralization. Minco was recently awarded a licence over the historic Goldmines River area, which was the focus of the famous nineteenth century Wicklow Gold Rush.

During the year, Minco increased its joint venture interest in the Moate and Shinrone licence blocks from Ennex International, bringing Minco's interest to 100% together with a 50% interest in the Rathdowney licence, a joint venture with Arcon. Minco has also acquired a 2% smelter royalty interest in the Curraghinalt gold deposit in Co. Tyrone, owned and operated by the Canadian-based Tournigan Gold Corporation who continue to work on the property.

Gold

Previous exploration programmes by Minco and others resulted in the discovery of gold mineralisation association with sulphides in quartz veins in the Carnew and Gorey areas of Co. Wexford and the Bunclody area of Co. Wicklow.

Results of drill holes can be summarised as follows:

Intersection (metres)	Gold Grade (grams per tonne)
0.7	35
0.5	21.3
0.3	19
0.4	11.6
0.3	10.5
1.15	3.2

There are over 20 targets remaining to be tested by drilling, including the 1,000 metres of strike between the Knocknalour and Tombreen prospects

Minco was granted three new prospecting licences in north Co. Wicklow in the Goldmines River area and over the border in Co. Kildare, just west of Blessington during the year.

The Goldmines River area was the site of the famous nineteenth century Wicklow Gold Rush when gold was recovered from alluvial gravels in rivers and streams draining the east side of Croghan Kinsella. The Kildare licence covers the location of the spectacular find of gold nuggets in the mid-1990s by a Naas-based prospector.

Three occurrences of stratabound gold mineralisation were found in the late 1980s by previous explorers at the West Slievefoore, Mary Ellen and Maclaren zones. Stratabound pyrite mineralisation occurs within tuffs and grab samples have returned values up to 42.5 grams per tonne gold.

Minco plans a €30,000 initial exploration programme on these new licences commencing in late 2003.

During the year, Minco acquired a 2% royalty interest in the Curraghinalt gold project from Ennex International located in Co. Tyrone. Recent drilling by the operator, Tournigan Gold Corporation, indicates extensions of the three main veins known as the T-17, No. 1 and 106-16 veins. In addition, new veins were intersected, extending the resource potential a further 325 meters southeast of the east end of the existing resource block.

The current resource estimate at Curraghinalt is 468,097 tonnes at an average grade of 16.96 grams per tonne gold equating to 255,000 ounces by applying a 6 gram per tonne cut off and a 1.25 meter minimum width over a strike length of 1,000 meters. Tournigan estimate that a 400 meter southeast extension of the three veins should add approximately 150,000 to 250,000 tonnes to the present resource. Tournigan have also reported potential for an additional 1 kilometres of strike potential at Curraghinalt.

Base Metals

The Pallas Green property comprises 13 contiguous prospecting licences extending from north of Limerick City east-southeast to the former Gortdrum Mine in Tipperary. The licences cover an area of approximately 300 square kilometres.

Minco and Noranda are continuing to explore the licence block under the terms of a joint venture agreement. Noranda earned a 75% interest in the licences during 2002 by expending €1.28 million. The 2004 exploration programme, expected to comprise additional drilling, will be funded jointly by Noranda (77%) and Minco (23%).

The Pallas Green property is centred on the extensively mineralised Pallas Green Alteration Trend. This covers an estimated 75 square kilometres and exploration continues to confirm this as one of the most extensively mineralised areas in Ireland. The Pallas Green Alteration Trend lies 45km west of the Lisheen mine, 25km south of the former Silvermines mine and 4km west of the former Gortdrum mine, within the south-eastern quadrant of the Irish Midland Orefield. This contains three of the five modern Irish carbonate hosted zinc mines discovered since 1961, and the carbonate hosted Gortdrum copper mine. The geological setting and work to date suggests the potential for the presence of a world class ore body.

Exploration in 2002 was concentrated in two areas within the Pallas Alteration Trend. Thirteen drill holes were drilled for a total of 3,500m of drilling. Selected results from these holes can be summarised as follows:

Hole Number	Intersection (metres)	Zn (%)
3342-24	0.14	15.07
636-8	11.3	11.43
636-10	7.96	1.59
636-13	6.72	4.82

Ten widely spaced holes have explored an area centred north of the town of Caherconlish. These holes have intersected a zone of breccia-hosted, massive to semi-massive pyrite mineralisation, similar to the breccias which host the Lisheen, Galmoy and Silvermines orebodies, with minor base metals, over a strike length of 5 kilometres.

The Caherconlish mineralisation appears comparable to the mineralization within the 'low grade' halo surrounding the Silvermines orebodies, although on a significantly larger scale. This mineralisation remains open in all directions, with indications from surface sampling that the most intense alteration lies to the west of the area drilled to date.

Outside of the Pallas Green licence block, very little new exploration has been carried out on Minco's other properties at Moate, Shinrone, or Holy Cross. During the year, Minco increased its joint venture interest in the Moate and Shinrone licence blocks from Ennex International, bringing Minco's interest to 100% together with a 50% interest in the Rathdowney licence, a joint venture with Arcon. Minco has taken advantage of the Department of Communications, Marine and Natural Resources' zinc exploration expenditure moratorium for these licence blocks whereby Minco can retain control of the licences while seeking new joint venture partners during the downturn in the zinc market.

IN CONCLUSION

Over the coming months your company management will be working to acquire major gold assets. The opportunity exists to form joint ventures on well delineated reserves and resources and several targets have been identified and discussions commenced. The success of these negotiations will inevitably result in a rationalisation of the exploration plans for Mexico and Ireland. However we believe that, based on this success, funding the work on the existing core assets will be easier and less dilutive to shareholders. We are looking forward to an exciting and prosperous future and we will do our utmost to deliver value, through strategic and logical acquisitions and developments, in a new and dynamic precious metal resource company.

Matthew Dorman
Chief Executive Officer

Directors' Report

The directors submit their report and group audited financial statements for the year ended 30 April 2003.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The group's principal activity is in mineral exploration and development, mainly in the Republic of Ireland.

Further information concerning the activities of the group and its future prospects are contained in the Chairman's Statement and Review of Operations.

RESULTS

The consolidated loss for the year amounted to €115,181 (2002: loss of €106,748).

No dividends or transfers to reserves are proposed.

FUTURE DEVELOPMENTS

Future developments in the business and important events since the year end are dealt with in the Chairman's Statement.

DIRECTORS

The directors of Minco Plc, who held office during the year under review, are as follows:

J.J. Teeling	T. McKillen
P. Power	J. Kearney
J. Finn (Director and Secretary)	

There were no changes in the directors or secretary during the year.

DIRECTORS' AND SECRETARY'S INTERESTS

The directors and secretary of the company who held office at 30 April 2003 had the following interests (including interests held by spouses and minor children) in shares of the company:

Ordinary Shares of €0.0125 each

	30 April 2003	1 May 2002	Share options held at 30 April 2003 - exercisable between 1.269c and 15.236c per share
Directors:			
John Teeling	500,000	500,000	1,698,833
Paul Power	335,000	335,000	300,000
James Finn	125,000	125,000	798,833
Terence McKillen	2,695,000	2,695,000	450,000
John Kearney	1,000,000	1,000,000	500,000

There were no new options granted to the directors during the year.

Directors' Report (Continued)

SUBSTANTIAL SHAREHOLDING

The share register records that the following shareholders held 3% or more of the issued ordinary share capital of the company as at April 30th 2003 and at September 30, 2003.

	Number of Ordinary Shares	%
Juno Limited	6,000,000	17.03
Bank of Ireland Nominees Limited	1,875,000	5.32
Mellon Nominees (UK) Limited	1,800,000	5.11
Strategic Lines Asset Management	1,500,000	4.26

BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's office at 162 Clontarf Road, Dublin 3.

SUBSIDIARY COMPANIES

The information required by Section 158(4) of the Companies Act 1963 is contained in the information provided in respect of those companies as set out in note 6 in the financial statements.

HEALTH AND SAFETY

The directors are aware of their obligations under the Safety, Health and Welfare at Work Act, 1989.

AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act 1963.

Signed on behalf of the Board:

John Teeling)
) DIRECTORS
James Finn)

Date: 24 October 2003

Statement of the Directors' Responsibilities

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2001 and the European Communities (Companies: Group Accounts) Regulations, 1992. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the members of Minco plc

We have audited the financial statements of Minco Plc for the year ended 30 April 2003 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement, and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as set out in the Statement of Directors' Responsibilities, the preparation of the financial statements in accordance with applicable Irish law and accounting standards. Our responsibilities, as independent auditors, are established in Ireland by statute, Auditing Standards as promulgated by the Auditing Practices Board in Ireland and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2001 and the European Communities (Companies: Group Accounts) Regulations, 1992. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all information and explanations necessary for the purposes of our audit and whether the company's balance sheet is in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not given and, where practicable, include such information in our report.

We read the Chairman's Statement, the Review of Operations and the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with the auditing standards issued by the Auditing Practices Board and generally accepted in Ireland. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, and the group, consistently applied and adequately disclosed.

Independent Auditors' Report (Continued) to the members of Minco plc

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the financial statements.

Intangible assets

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the valuation of intangible assets. The realisation of the intangible assets of €3,017,618 included in the consolidated balance sheet and intangible assets and financial assets in the company balance sheet totalling €2,989,600 is dependent on the successful development of economic ore reserves. We draw attention to further details given in notes 5 and 6. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group as at 30 April 2003 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2001 and the European Communities (Companies: Group Accounts) Regulations, 1992.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet is in agreement with the books of account.

In our opinion the information given in the directors' report is consistent with the financial statements.

The net assets of the company, as stated in the balance sheet of the company are more than half the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 30 April 2003 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the company.

Deloitte & Touche
Chartered Accountants and Registered Auditors
Deloitte & Touche House
Earlsfort Terrace
Dublin 2.

24 October 2003

Consolidated Profit and Loss Account

For the Year Ended April 30, 2003

	Notes	2003 €	2002 €
ADMINISTRATIVE EXPENSES		(117,445)	(113,590)
OPERATING LOSS		<u>(117,445)</u>	<u>(113,590)</u>
Interest income		2,264	6,842
LOSS BEFORE TAXATION	2	(115,181)	(106,748)
Taxation	3	-	-
LOSS FOR THE YEAR AFTER TAXATION		<u>(115,181)</u>	<u>(106,748)</u>
Opening balance - profit and loss account		(4,306,955)	(4,200,207)
Closing balance - profit and loss account		<u>(4,422,136)</u>	<u>(4,306,955)</u>
Loss per share	4	(0.33c)	(0.30c)
Loss per share – diluted	4	<u>(0.33c)</u>	<u>(0.30c)</u>

There were no recognised gains or losses other than those included in the profit and loss account. Results derive solely from continuing activities.

The financial statements were approved by the Board of Directors on 24 October 2003 and signed on its behalf by:

John Teeling)
) DIRECTORS
James Finn)

Consolidated Balance Sheet

as at April 30, 2003

	Notes	2003 €	2002 €
FIXED ASSETS			
Intangible assets	5	3,017,618	2,844,512
CURRENT ASSETS			
Bank		22,925	182,511
Debtors	7	18,166	2,543
		41,091	185,054
CREDITORS: (Amounts falling due within one year)	8	(340,916)	(196,592)
NET CURRENT LIABILITIES		(299,825)	(11,538)
NET ASSETS		2,717,793	2,832,974
CAPITAL AND RESERVES			
Called-up share capital	9	2,815,430	2,815,430
Share premium account	10	4,280,042	4,280,042
Profit and loss account - (deficit)		(4,422,136)	(4,306,955)
Capital conversion reserve fund	9	44,457	44,457
SHAREHOLDERS' FUNDS	11	2,717,793	2,832,974
EQUITY		305,291	420,472
NON-EQUITY		2,412,502	2,412,502
		2,717,793	2,832,974

The financial statements were approved by the Board of Directors on 24 October 2003 and signed on its behalf by:

John Teeling)
) DIRECTORS
James Finn)

Company Balance Sheet

as at April 30, 2003

	Notes	2003 €	2002 €
FIXED ASSETS			
Intangible assets	5	487,922	314,816
Financial assets	6	2,501,678	2,417,381
		<u>2,989,600</u>	<u>2,732,197</u>
CURRENT ASSETS			
Bank		18,457	178,841
Debtors	7	8,764	1,610
		<u>27,221</u>	<u>180,451</u>
CREDITORS : (Amounts falling due within one year)	8	(275,364)	(61,704)
NET CURRENT (LIABILITIES)/ASSETS		<u>(248,143)</u>	<u>118,747</u>
NET ASSETS		<u>2,741,457</u>	<u>2,850,944</u>
CAPITAL AND RESERVES			
Called-up share capital	9	2,815,430	2,815,430
Share premium account	10	4,280,042	4,280,042
Profit and loss account - (deficit)		(4,398,472)	(4,288,985)
Capital conversion reserve fund	9	44,457	44,457
SHAREHOLDERS' FUNDS		<u>2,741,457</u>	<u>2,850,944</u>
EQUITY		328,955	438,442
NON-EQUITY		<u>2,412,502</u>	<u>2,412,502</u>
		<u>2,741,457</u>	<u>2,850,944</u>

The financial statements were approved by the Board of Directors on 24 October 2003 and signed on its behalf by:

John Teeling)
) DIRECTORS
James Finn)

Consolidated Cash Flow Statement

For the Year Ended April 30, 2003

	Notes	2003 €	2002 €
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	14	11,256	(120,309)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		2,264	6,842
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		2,264	6,842
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments in respect of intangible fixed assets	5	(173,106)	(13,030)
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(173,106)	(13,030)
NET CASH OUTFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING		(159,586)	(126,497)
FINANCING			
Cost of issue of ordinary share capital	10	-	(7,162)
NET CASH OUTFLOW FROM FINANCING		-	(7,162)
DECREASE IN CASH	14	(159,586)	(133,659)

Notes to the Financial Statements

For the Year Ended April 30, 2003

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards:

(a) Basis of Preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2001 and the European Communities (Companies: Group Accounts) Regulations, 1992.

(b) Consolidation Policy

The consolidated financial statements include the financial statements of the parent company and its subsidiaries made up to the end of the financial year. Where a subsidiary is acquired or disposed of during the financial year, the consolidated financial statements include the attributable profit from or to the date of acquisition or disposal.

(c) Intangible Fixed Assets - Deferred Development Expenditure

Mineral exploration costs are capitalised until the results of the projects, which are based on geographic areas, are known. Mineral exploration costs include an allocation of administration and salary costs as determined by management. If the project is successful, the related exploration costs are written off over the life of the estimated ore reserve on a unit of production basis. Where a project is terminated, the related exploration costs are written off immediately.

(d) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rate of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transactions.

(e) Financial Fixed Assets

Financial fixed assets are stated at cost less any provision where there is considered to be a permanent impairment in value.

(f) Pensions

The group has no employees. Pension benefits in respect of a subsidiary company were funded over the employees' period of service by way of contribution to an insured fund.

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(g) Deferred Taxation

Deferred taxation is accounted for in respect of all timing differences. A deferred tax asset is only recognised when it is more likely than not, the asset will be recoverable in the foreseeable future, out of suitable taxable profits from which the underlying timing differences can be recovered. The company has adopted Financial Reporting Standard 19 on deferred taxation.

2. LOSS BEFORE TAXATION

The loss before taxation is stated after charging the following items:

	2003 €	2002 €
Directors' remuneration - fees	40,000	38,092
Auditors' remuneration	9,000	8,300
	<u> </u>	<u> </u>

Except for the directors the company had no employees during the year (2002 : Nil).

3. TAXATION

No charge to taxation arises in the current year as the company has incurred losses. No deferred tax asset has been recognised on accumulated tax losses as the recoverability of any such assets is not likely in the foreseeable future. At the year end deferred tax assets totalling €551,554 (2002: €506,782) were not recognised.

4. LOSS PER SHARE

Basic earnings per share is computed by dividing the profit or loss after taxation for the year available to ordinary shareholders by the sum of the weighted average number of ordinary shares in issue and ranking for dividend during the period. Diluted earnings per share is computed by dividing the profit or loss after taxation for the year by the weighted average number of ordinary shares in issue, adjusted for the effect of all dilutive potential ordinary shares that were outstanding during the year.

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

4. LOSS PER SHARE (CONTINUED)

The following sets forth the computation for basic and diluted earnings per share (EPS):

	2003 €	2002 €
Numerator		
Numerator for basic EPS retained loss	(115,181)	(106,748)
	<u> </u>	<u> </u>
Denominator		
Denominator for basic EPS	Number 35,234,431	Number 35,234,431
	<u> </u>	<u> </u>
Basic EPS	(0.33c)	(0.30c)
Diluted EPS	(0.33c)	(0.30c)
	<u> </u>	<u> </u>

The basic and diluted loss per share are the same, as the effect of the outstanding share options is anti-dilutive, and is therefore excluded.

5. INTANGIBLE FIXED ASSETS

	Group €	Company €
Deferred Development Expenditure:		
Cost:		
At 1 May 2002	2,844,512	314,816
Additions during the year	173,106	173,106
	<u> </u>	<u> </u>
At 30 April 2003	3,017,618	487,922
	<u> </u>	<u> </u>
Net Book Value:		
At 30 April 2003	3,017,618	487,922
	<u> </u>	<u> </u>
At 30 April 2002	2,844,512	314,816
	<u> </u>	<u> </u>

The realisation of this intangible fixed asset is dependent on the development of economic ore reserves. Should this prove unsuccessful, the value included in the balance sheet would be written off.

Deferred development expenditure relates to prospecting and exploration in Ireland.

The directors have reviewed the deferred exploration expenditure at 30 April 2003 and are satisfied that the value at the balance sheet date of the intangible asset is not less than book value.

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

6. FINANCIAL FIXED ASSETS	2003	2002
	€	€
Company		
At cost:		
Opening and closing shares	2,139,820	2,139,820
Amounts due by subsidiaries	361,858	277,561
	<u> </u>	<u> </u>
Investment in subsidiaries	2,501,678	2,417,381
	<u> </u>	<u> </u>

As outlined in note 5, the realisation of the financial fixed assets is dependent on the development of economic ore reserves.

The subsidiaries of the company at 30 April 2003 are as follows:

Name of company	Registered office and country of incorporation	Percentage owned	Principal activity
Norsub Limited	14 New Street St. Peter Port Guernsey Channel Islands	100%	Holding company
Minco Ireland Limited*	162 Clontarf Road Dublin 3	100%	Mineral exploration
Irish Base Metals Limited*	162 Clontarf Road Dublin 3	100%	Mineral exploration

*These subsidiaries are indirectly owned by Minco plc.

7. DEBTORS:	2003	Group	2002	2003	Company	2002
	€		€	€		€
Other debtors and prepayments	18,166		2,543	8,764		1,610
	<u> </u>		<u> </u>	<u> </u>		<u> </u>
8. CREDITORS: (Amounts falling due within one year)	2003	Group	2002	2003	Company	2002
	€		€	€		€
Accruals	340,916		196,592	275,364		61,704
	<u> </u>		<u> </u>	<u> </u>		<u> </u>

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

9. SHARE CAPITAL	Group and Company	
	2003	2002
	€	€
Authorised		
110,000,000 ordinary shares of €0.0125 each	1,375,000	1,375,000
38,000,000 deferred shares of €0.0625 each	2,375,000	2,375,000
	<u>3,750,000</u>	<u>3,750,000</u>
	<u><u>3,750,000</u></u>	<u><u>3,750,000</u></u>
Allotted, Called-Up and Fully Paid		
Ordinary shares of €0.0125 (2002: €0.01269738) each:		
Opening: 35,234,431 (2002: 35,234,431)	440,430	447,385
Transfer to capital conversion reserve fund	-	(6,955)
	<u>440,430</u>	<u>440,430</u>
Closing: 35,234,431 (2002: 35,234,431)	440,430	440,430
	<u>440,430</u>	<u>440,430</u>
	<u><u>440,430</u></u>	<u><u>440,430</u></u>
Deferred shares of €0.0625 (2002: €0.0634869) each:		
Opening	2,375,000	2,412,502
Transfer to capital conversion reserve fund	-	(37,502)
	<u>2,375,000</u>	<u>2,375,000</u>
Closing	2,375,000	2,375,000
	<u>2,375,000</u>	<u>2,375,000</u>
	<u><u>2,375,000</u></u>	<u><u>2,375,000</u></u>
	<u><u>2,815,430</u></u>	<u><u>2,815,430</u></u>

The total number of options outstanding at 30 April 2003, including to directors as outlined in the Directors' Report, was 5,195,166 (2002: 5,195,166) shares. These are exercisable at prices between 1.269c and 15.236c in accordance with the option agreement.

The deferred shares are non-voting, have no entitlements to dividends and have no preferential right to a return on capital on a winding-up.

In the prior year each of the issued and unissued ordinary shares of IR£0.01 per share was redenominated and renominalised to an ordinary share of €0.0125 and every such IR£0.05 deferred share to be a deferred share of €0.0625. An amount equal to the reduction in the issued share capital resulting from this renominalisation was transferred to a capital conversion reserve fund.

Capital conversion reserve fund	Group and Company	
	2003	2002
	€	€
Opening		-
Transfer from share capital - equity	44,457	6,955
- non-equity	-	37,502
	<u>44,457</u>	<u>44,457</u>
Closing	44,457	44,457
	<u>44,457</u>	<u>44,457</u>
	<u><u>44,457</u></u>	<u><u>44,457</u></u>

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

10. SHARE PREMIUM	Group and Company	
	2003	2002
	€	€
At 1 May 2002	4,280,042	4,287,204
Costs arising on shares issued during 2001	-	(7,162)
	<u>4,280,042</u>	<u>4,280,042</u>
At 30 April 2003 – all equity	4,280,042	4,280,042
	<u><u>4,280,042</u></u>	<u><u>4,280,042</u></u>
11. RECONCILIATION OF SHAREHOLDERS' FUNDS	2003	2002
	€	€
Group		
Opening shareholders' funds	2,832,974	2,946,884
Loss for the year	(115,181)	(106,748)
Share premium adjustment	-	(7,162)
	<u>2,717,793</u>	<u>2,832,974</u>
Closing shareholders' funds	2,717,793	2,832,974
	<u><u>2,717,793</u></u>	<u><u>2,832,974</u></u>

12. LOSS ATTRIBUTABLE TO MINCO PLC

The loss after taxation in the parent company amounted to €109,487 (2002 : €101,049).

A separate profit and loss account for Minco plc (the company) has not been prepared because the conditions laid down in Section 3(2) of the Companies (Amendment) Act, 1986 have been complied with.

13. FINANCIAL COMMITMENTS

Prior to the acquisition by Minco plc, a subsidiary company, which was disposed of since the balance sheet date (see Note 18), operated a non-contributory defined benefit scheme. There are no current employees in the scheme and the liabilities of the scheme relate to the deferred pensions for former employees only.

On October 15, 2002 the trustee's of the scheme, with the approval of the Pensions Board, resolved to wind up the scheme with effect from 1 November 2002. Prior to the wind-up a contribution of €22,000 was made through the subsidiary company to the scheme.

An actuarial valuation of the scheme was carried out at 1 November 2002 in accordance with Guidance Note 9 (ROI) published by the Society of Actuaries in Ireland. The purpose of the valuation was to establish the discontinuance position of the scheme by comparing the scheme assets with the scheme liabilities on the scheme wind-up. The valuation revealed that the actuarial value of the scheme's liabilities exceeded the scheme's assets by €13,333.

The scheme was wound up effective 1 November 2002. After giving deferred pensioners over the age of 65 a priority call on the available assets in accordance with the scheme rules, the level of cover for other deferred members amounted to 94%. At the date of wind-up the membership consisted of 33 deferred pensioners. The trustees are seeking confirmation of the status of each of the deferred pensioners. The trustees have been unable to trace eight deferred pensioners with a combined liability of approximately €46,000. Full provision has been made for their liabilities in the valuation.

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

14. CONSOLIDATED CASH FLOW STATEMENT		2003	2002	
		€	€	
(a)	Reconciliation of operating loss to net cash outflow from operating activities :			
	Operating loss	(117,445)	(113,590)	
	Increase/(decrease) in creditors	144,324	(18,679)	
	(Increase)/decrease in debtors	(15,623)	11,960	
	Net cash inflow/(outflow) from operating activities	<u>11,256</u>	<u>(120,309)</u>	
(b)	Analysis of net funds:			
		At	Cash	At
		1 May 2002	flow	30 April 2003
		€	€	€
	Cash in hand and at bank	<u>182,511</u>	<u>(159,586)</u>	<u>22,925</u>
(c)	Reconciliation of net cash flow to movement in net funds:			
		2003	2002	
		€	€	
	Decrease in cash in the year	<u>(159,586)</u>	<u>(133,659)</u>	
	Change in net funds resulting from cash flows	<u>(159,586)</u>	<u>(133,659)</u>	
	Movement in net funds in year	(159,586)	(133,659)	
	Net funds at start of year	<u>182,511</u>	<u>316,170</u>	
	Net funds at end of year	<u><u>22,925</u></u>	<u><u>182,511</u></u>	

15. RISK MANAGEMENT

The group's financial instruments comprise cash balances and various items such as trade debtors and trade creditors which arise directly from trading operations. The main purpose of these financial instruments is to provide working capital to finance group operations.

The group does not enter into any derivative transactions, and it is the group's policy that no trading in financial instruments shall be undertaken.

Interest rate risk

The group has no external borrowings and is therefore not subject to interest rate risk.

Liquidity risk

As regards liquidity, the group's exposure is confined to meeting obligations under short term trade creditor agreements and under a finance lease agreement. This exposure is not considered to be significant, and is fully financed from operating cashflow.

Foreign currency risk

The group has no significant dealings in currencies other than the reporting currency. All of the group's activities are located within the Republic of Ireland and hence the group has no significant exposure to foreign currency risk.

Notes to the Financial Statements (Continued)

For the Year Ended April 30, 2003

16. RELATED PARTY TRANSACTIONS

At 30 April 2003 Juno Limited held a 17.03% interest in Minco Plc. There have been no transactions with Juno Limited during the year under review. At 30 April 2003 the amount due to Juno Limited was €32,564 (2002: €32,564).

17. NON-CASH TRANSACTIONS

On 1 January 2003, the group entered into an agreement to obtain a royalty interest in mineral deposits in County Tyrone. In exchange for the royalty, Minco Plc, have agreed to issue 100,000 ordinary shares of €0.07865 each and warrants entitling the seller to purchase 1,000,000 ordinary shares in Minco Plc, exercisable at prices between €0.0715 and €0.143 each. At the balance sheet date, the shares in respect of this transaction had not been issued. The cost of the acquisition has been capitalised and the corresponding liability included in creditors.

18. SUBSEQUENT EVENTS

On 25 June 2003, the group disposed of 100% of its investment in Irish Base Metals Limited to a third party company.

On 10 October 2003 the group acquired Orca Gold Corporation International Limited. The consideration for the transaction was 35 million ordinary shares. Roger Turner, Matthew Dorman and Richard Thornton were appointed directors.

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of the members of Minco plc will be held in The Shelbourne Hotel, Dublin 2 at 12 noon on 10 December 2003.

1. To receive the report of the directors and audited financial statements for the year ended 30 April 2003.
2. The following will be proposed for election:
Roger Turner, Richard Thornton, Matthew Dorman.
3. To authorise the directors to fix the remuneration of the auditors.
4. To transact any other ordinary business of an annual general meeting.

Special Business

5. To consider, and if thought fit, pass the following special resolution:

That the authorised share capital of the company be increased from €1,375,000 to €2,500,000 by the creation of 90,000,000 new ordinary shares of 1.25c each.

6. To consider, and if thought fit, pass the following special resolution:

That the directors are hereby generally and unconditionally authorised to exercise all the powers of the company to allot relevant securities within the meaning of Section 20 of the Companies (Amendment) Act 1983. The maximum amount of the relevant securities which may be allotted under the authority hereby conferred shall be the authorised but unissued Ordinary Shares in the capital of the company. The authority hereby conferred shall expire on 10 December, 2008 unless and to the extent that such authority is renewed, revoked or extended prior to such date. The company may, before such expiry, make an offer or arrangement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement, notwithstanding that the authority hereby conferred had expired.

7. To consider, and, if thought fit, pass the following special resolution:

That the directors are hereby empowered pursuant to sections 23 and 24 (1) of the Companies (Amendment) Act 1983 to allot within the meaning of said section 23 for cash as if section 23 (1) of the said Act did not apply to any such allotment, provided that this power shall expire on 10 December, 2008 unless and to the extent that such authority is renewed, revoked or extended prior to such date, save that the company may before such expiry make an offer or arrangement which would or might require securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred by this paragraph has not expired.

By order of the Board
James Finn
Secretary

24 October 2003

Form of Proxy

I/We.....
(BLOCK LETTERS)

of
being (an) ordinary shareholder(s) of Minco plc, hereby appoint the Chairman of the Meeting†

.....
of
as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 10 December, 2003 at the The Shelbourne Hotel and at any adjournment thereof.

I/We direct my/our proxy to vote on the resolutions set out in the Notice convening the Meeting as follows:

	For*	Against*
Reports and Accounts	<input type="checkbox"/>	<input type="checkbox"/>
Election of Director: Roger Turner	<input type="checkbox"/>	<input type="checkbox"/>
Election of Director: Richard Thornton	<input type="checkbox"/>	<input type="checkbox"/>
Election of Director: Matthew Dorman	<input type="checkbox"/>	<input type="checkbox"/>
Remuneration of Auditors	<input type="checkbox"/>	<input type="checkbox"/>
Increase in Authorised Share Capital	<input type="checkbox"/>	<input type="checkbox"/>
Directors power to allot securities pursuant to section 20 of Companies (Amendment) Act 1983	<input type="checkbox"/>	<input type="checkbox"/>
Directors power to allot equity pursuant to section 24 of Companies (Amendment) Act 1983	<input type="checkbox"/>	<input type="checkbox"/>

Signature.....

Dated the..... day of2003.

† If it is desired to appoint another person as proxy other than the Chairman of the Meeting the name and address of the proxy, who need not be a member of the Company, should be inserted, the words "the Chairman of the meeting" deleted and the alterations initialled.

* The manner in which the proxy is to vote should be indicated by inserting an "X" in the boxes provided. Proxies not marked as for or against will be regarded as giving the proxy authority to vote, or to abstain, at his/her discretion.

NOTES

1. In the case of a corporation this proxy must be under its common seal or under the hand of an officer or attorney duly authorised in writing.
2. To be effective this proxy must reach the address on the reverse hereof not less than 48 hours before the time of the meeting.
3. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of members in respect of such holding.

FOLD 1

FOLD 2

The Secretary
Minco Plc
162 Clontarf Road
Dublin 3
Ireland

FOLD 3
(then turn in)

DIRECTORS AND OTHER INFORMATION

CURRENT DIRECTORS

John Teeling (Chairman)
Roger W Turner (Deputy Chairman)
James Finn
Richard Thornton
Matthew Dorman
Terence McKillen
John Kearney

SECRETARY

James Finn

REGISTERED OFFICE

162 Clontarf Road
Dublin 3, Ireland.

AUDITORS

Deloitte & Touche
Chartered Accountants
Deloitte & Touche House
Earlsfort Terrace
Dublin 2, Ireland.

BANKERS

Allied Irish Bank plc
87 North Strand Road
Dublin 3, Ireland.

SOLICITORS

McEvoy Partners
Canada House
65/68 St. Stephens Green
Dublin 2, Ireland.

NOMINATED ADVISOR CORPORATE BROKER

Rowan Dartington & Co Ltd
Colston Tower, Colston St.,
Bristol BS1 4RD, England.

REGISTRARS

Computershare Services (Ireland) Ltd
Heron House, Corrig Road,
Sandyford Ind Estate,
Dublin 18, Ireland.

CONTACTS

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E-mail: minco@iol.ie
Website: www.minco.ie