

# **Minco Plc**

## **Press Release**

**3 September 2008**

### **XTIERRA INC. (ORCA MINERALS LIMITED) INCREASES INTEREST IN BILBAO SILVER-LEAD-ZINC PROJECT TO 100%**

**London, 3 September, 2008 - Minco plc (AIM-“MIO”)** is pleased to announce that its 60% subsidiary, Xtierra Inc. (TSXV-“XAG”), has acquired the remaining 25% interest in the Bilbao silver-lead-zinc project, Zacatecas, Mexico that it did not already own.

Xtierra already held a 75% interest in Bilbao acquired through a joint venture earn-in agreement between its subsidiary, Orca Minerals Limited (“Orca Minerals”), and Shoshone Mexico, S.A. de C.V. (“Shoshone Mexico”), a subsidiary of Shoshone Silver Corporation of Wallace, Idaho.

The outstanding 25% interest was acquired through the purchase from Shoshone Silver Corporation of all of the outstanding shares of Shoshone Mexico by Xtierra’s subsidiary Orca Minerals. Shoshone Mexico has been renamed Bilbao Resources, S.A. de C.V. and is now an indirect wholly owned subsidiary of Xtierra Inc.

The consideration is US\$5 million, satisfied by payment of US\$2.5 million on closing, a further payment of US\$500,000 in August 2009 and the balance to be paid in four equal annual payments of US\$500,000, commencing at the time of mine construction. The first such US\$500,000 annual payment will be made not less than six years after the closing date (August 2014), with the remaining balance to be paid no later than ten years (August 2018).

#### **The Bilbao Silver-Lead-Zinc Project**

The Bilbao Property is located northwest of Mexico City in the State of Zacatecas, 50km east of the state capital, Zacatecas. The deposit is a sulphide replacement with a skarn overprint and is located adjacent to the La Blanca granodiorite.

The upper 70-90 metres of the deposit has been oxidised. Prior to Xtierra/Orca involvement at Bilbao in 2006, no drilling appears to have been carried out although historical intermittent mining of direct shipping ore may have amounted to 1 million tonnes of near surface oxides.

A total of 12,149 metres of diamond drilling was completed between May 2006 and April 2008 by Orca Minerals, including 4,138 metres of in-fill drilling completed in April 2008. This drilling confirmed an earlier oxide resource estimate and enabled a preliminary sulphide resource (not NI 43-101 compliant) to be compiled by Mining and Exploration Geosystem Associates (MEGA) and R.T.G. Parker which estimated approximately 3,670,384 tonnes of oxides, at an average grade of 85.0g/t silver, 3.28% zinc, 2.61% lead and 0.34% copper; together with 2,117,079 tonnes of sulphides, at an average grade of 86.3g/t silver, 4.25% zinc, 2.75% lead and 0.25% copper.

An independent resource estimate is currently being completed by Mr. Parker and A.C.A. Howe International Limited utilizing the in-fill drilling and compliant with NI 43-101.

The sulphide deposit at Bilbao remains open to the northwest, southwest and to depth. Xtierra plans to commence step out drilling to explore the extensions of the deposit, as well as to conduct test work on the metallurgy and evaluate options for commercial recoveries of the near-surface oxide mineralization. These programs will form part of a full feasibility study planned for completion by early 2009.

The Bilbao property is subject to a 1.5% net smelter royalty in favour of Minera Portree S.A. de C.V., commencing after the second year of commercial production and on which the Company holds a first right of refusal.

### **Qualified Person**

The above information has been reviewed and verified by Mr. Terence N McKillen, B.A. (Mod), M.A., M.Sc., P.Geo., Chief Executive Officer. 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 holds degrees in Geology from the University of Dublin (Trinity College) and the University of Leicester. He has 40 years of exploration experience in Ireland and internationally.

### **About Xtierra Inc.**

Xtierra Inc. is a Toronto exploration and development company with a Tier 1 listing on the TSX Venture Exchange. Xtierra's shares commenced trading on the TSXV on September 3<sup>rd</sup> 2008 and trade under the symbol "XAG". Xtierra has 49,862,003 shares issued and outstanding.

Minco holds 30 million shares (60%) in Xtierra Inc.

Xtierra objective is to become a mid-tier producer of silver and base metals through the development of its Bilbao and Laguna projects, both located in the Central Mexican Silver Belt in the State of Zacatecas, as well as through organic growth and M & A opportunities.

### **About Minco:**

Minco PLC is an AIM quoted precious and base metals exploration and development company engaged in zinc exploration on the Pallas Green property in Ireland in a joint venture with Xstrata Zinc and investments in zinc-silver projects in Mexico through its 60% shareholding in Xtierra Inc. listed on the TSX Venture Exchange (Toronto) under the symbol "XAG".

### **For further information, [www.minco.ie](http://www.minco.ie) or**

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