



Company data	
Stock data as of 03-03-10	
Price	GBP3.38
52-week range	GBP1.38-GBP4.88
Shares outstanding	248.6 million (mn)
Dividend yield	N/A
Last-12-month average daily trading volume (AIM)	246,176
Capitalization	
Market capitalization	GBP8.39mn
Enterprise value	GBP13.31 mn
Net debt / equity	N/A
Price performance (%)	
	1M 3M 12M
MIO	4.0 0.0 107.4
FTSE AIM ALL Share Index	0.8 3.4 80.1
12-month price volume performance	
Major shareholders	
Name	Capital
Directors and Promoters	13%
Barclayshare Nominees Ltd	7%
Aran Asset Management	6%
Midlothian Limited	6%
Thomas & Philomena O'Gorman	5%
Others	64%
Total shares	100%
TIDM code:	MIO
ISIN number:	IE0004678326
Nominated advisor:	J&E Davy
Broker:	J&E Davy
Bankers:	Barclays Bank Ireland Plc
Auditors:	Deloitte & Touche
Lawyers:	McEvoy Partners
Country of incorporation:	Ireland
Head Office location:	Ireland
Principal area of operations:	Ireland and Mexico
Company website:	www.minco.ie
Analyst:	Rupainka Rajan
Supervising analyst:	Ritwik Bhattacharjee
DOR:	Satish Betadpur, CFA

Source: Company data, Bloomberg

Company description

Minco PLC (Minco) is a metals exploration & development company incorporated in Ireland with zinc exploration projects in Ireland and zinc-silver investments in Mexico. The company is primarily focused on its Pallas Green project in Ireland, and is involved in zinc-silver development projects, Bilbao and Laguna, and gold exploration at Pinos, all in Mexico, through Toronto exchange listed Xtierra Inc. (Xtierra), a 60% subsidiary.

- **Pallas Green project:** Located on the southern boundary of the Irish Midland Orefield between Limerick and Tipperary, the Pallas Green zinc-lead project is a joint venture between Minco (23.6% stake) and Xstrata Zinc (76.4% stake). Minco has identified four distinct lenses of massive zinc-lead sulphide mineralization at Castlegarde, Srahane West, Caherconlish and Tobermalug. The company estimates that the Caherconlish and Tobermalug sites currently have the potential for resources of 16.2 Mt at an average grade of 10.0% zinc and 1.7% lead. During 1H 09, a JORC compliant Inferred resource estimate of 11.3 Mt grading 10.2% zinc and 1.9% lead was released for the Tobermalug deposit. Minco estimates that 60% of the Pallas Green license area remains unexplored, reflecting tremendous potential for an increase in resources. The project underwent a preliminary scoping study and drilling in 2009 after an extensive drilling program in 2008. Minco aims to increase the resource size at the project, with a USD10 mn drilling program in 2010.
- **Bilbao Project:** This zinc-silver project, located in Zacatecas (Mexico) is spread over 1,407 ha and comprises 9 concessions. In February 2010, Xtierra released a NI 43-101 compliant Indicated resource estimate of 9.68 mn tonnes grading 2.09% lead, 0.21% copper, 2.43% zinc and 59.4g/t silver (representing a 169% increase from the 2008 resource estimate) and an inferred resource estimate of 4.04 mn tonnes grading 1.55% lead, 0.18% copper, 1.43% zinc and 53.64g/t silver (an increase of 68% on the 2008 estimate). The ongoing feasibility study is expected to be completed in 3Q 10.
- **La Laguna Pedernalillo (Laguna) Tailings Project:** This is a silver-gold-mercury tailings reprocessing project for which a bankable feasibility study was completed in 2006 by Micon International Ltd (Micon). Thereafter, Micon determined a revised reserve estimate of 6.8 Mt in the Proven and Probable category grading 57.92 g/t silver, 0.31 g/t gold and 328.92 g/t mercury in 2008. On 19 November 2009, it was announced that Xtierra had entered an Option and Sale Agreement for the deposit.

Exhibit 1: Key financials

All figures in USD '000, unless specified	FY 2007A	FY 2008A	FY 2007-08 (%change)
Revenues	0	0	N/A
Operating income	(857)	(2,502)	(191.9%)
Net income	(2,766)	(2,195)	20.6%
Fully diluted EPS (USD)	(1.69)	(1.27)	24.9%
Net cash	2,472	2,367	(4.2%)
P/E	N/A	N/A	

Source: Company data



SWOT

Strengths	Weaknesses
<p>JORC and NI 43-101 compliant resource estimates</p> <ul style="list-style-type: none"> Existence of 11.3 Mt JORC compliant Inferred resources at Tobermalug deposit in Pallas Green; NI 43-101 compliant resource estimates of 9.68 Mt (Indicated) & 4.04 Mt (Inferred) at the Bilbao project and 6.8 Mt Proven and Probable reserves at Laguna project is highly valuable. <p>Pallas Green's similarities with Lisheen and Galmoy mines</p> <ul style="list-style-type: none"> The company has identified that the geological composition of deposits discovered at Pallas Green are similar to those at its existing, productive Lisheen and Galmoy mines. <p>Experienced Management team</p> <ul style="list-style-type: none"> The company has a strong Management team with the Chairman, CEO, and CFO having approximately 35, 40 and 20 years of experience in the mining industry respectively. <p>Solid support from Juno Ltd and relationship with Xstrata</p> <ul style="list-style-type: none"> While its relationship with Xstrata (which also strengthens technical expertise) will ease Pallas Green funding pressure, the assurance of adequate financial support for all projects from Juno Ltd, a shareholder of Minco, is a major benefit. 	<p>Production has not yet commenced at Minco's key projects</p> <ul style="list-style-type: none"> Minco's key projects have not yet commenced production, leaving revenue and cash generation prospects uncertain. <p>Limited measured resources/proven reserves</p> <ul style="list-style-type: none"> Measured resources are of limited quantity so far, as a result of which the asset-based valuation is weak, presenting limited upside to planned production. <p>Liquidity risk</p> <ul style="list-style-type: none"> Since the company has not yet started generating cash from operations, it relies significantly on equity financing for its projects. Inability to raise further adequate funds would hamper further development of its projects.
Opportunities	Threats
<p>About 60% of the Pallas Green license area unexplored</p> <ul style="list-style-type: none"> Nearly 60% of the Pallas Green license area remains unexplored, indicating potential scope for a significant upside in resources. <p>Scope for diversification and growth in the event of acquisition of El Dorado gold project</p> <ul style="list-style-type: none"> If Xtierra exercises its option to acquire a 100% interest in the El Dorado property in Mexico, high grade gold will be added to Minco's portfolio, resulting in further diversification. 	<p>Volatility in prices of zinc, silver and lead</p> <ul style="list-style-type: none"> Significant volatility in prices of zinc, silver and lead may negatively impact investor interest in the company's projects. <p>Changes in government regulations</p> <ul style="list-style-type: none"> Changes in existing government regulations governing Minco's operations may have significant material impact on the company as it may increase exploration expenses, production overheads and other project expenses.

Key recent news

11 February 2010: Announcement of an increased independent NI 43-101 compliant resource estimate for the Bilbao deposit, with Indicated resources now at 9.68 mn tonnes and Inferred resources at 4.04 mn tonnes.

02 February 2010: Minco announced its USD10 mn exploration programme for 2010 at the Pallas Green Project.

20 January 2010: Xtierra announced a non-brokered private placement of up to CAD5,000,000 to fund further metallurgical testing and feasibility work on the Bilbao project.

Management

John Kearney, Executive Chairman: With over 35 years mining experience, he is currently a director or senior officer of several mining ventures and also serves as a director of the Mining Association of Canada. He was previously the CEO and President of the Northgate Group based in Toronto.

Terence McKillen, Chief Executive Officer: A professional geologist with 40 years mining experience, he is a founding director of Minco and has been instrumental in the development of Minco's portfolio of Irish projects. He previously served as Vice-President of Exploration of Northgate Exploration Limited and Westfield Minerals Ltd. He is also President and CEO of Xtierra Inc.

Danesh Varma, CFO & Company Secretary: With over 20 years experience in the mining finance industry, he also serves as CFO of several other mining companies.

The company has reviewed a draft of this profile and factual amendments have been made