

Minco Exploration PLC Publishes Interim Report 2023

30 September 2023 – Minco Exploration PLC (“Minco Exploration”, “Minco”, or the “Company”) announces the publication of its Interim Report for the six months ended 30 June 2023.

Minco Exploration PLC

Interim Report for the six months ended 30 June 2023

HIGHLIGHTS

- Drilling planned on the prospective Slieve Dart licence block, Co. Galway
- New licence granted at Milltown, Co Clare

COMPANY OVERVIEW

Minco Exploration PLC (“Minco”) is a mineral exploration company which holds interests in Prospecting Licences in Ireland which are highly prospective for the discovery of zinc-lead mineralisation. Minco has interests in five projects located within the Irish Midlands Orefield that are operated by Minco’s wholly owned subsidiaries, either alone or in joint venture with Boliden Tara Mines DAC (“Boliden”).

Minco (20%) is participating in a joint venture with Boliden (80%) on Licence 1440R Navan (Tatestown), which lies immediately adjacent to Boliden’s large 130 million tonnes Tara zinc-lead mine at Navan. Minco is also participating in a joint venture with Boliden on Licence 3373 (Kells), contiguous to the west of Licence 1440R, where Minco can earn up to a 75% interest.

Minco primary focus is its joint venture with Boliden on a block of Prospecting Licences in County Galway (Slieve Dart) where Minco has earned a 50% interest. In addition, Minco contributed 50% of the expenditures in five new licences contiguous to the east which are held by Boliden. with the intention to seek Ministerial approval to incorporate these new licences into the existing joint venture.

Minco also holds a 100% interest in two Licences at Moate, County Westmeath., and an additional new Licence covering the Milltown mineral prospect in County Clare.

EXPLORATION UPDATE

Slieve Dart (50% interest)

Minco’s primary focus this year was the Slieve Dart block in County Galway, considered one of the orphans of Irish exploration, where Minco operates in joint venture with Boliden.

Back in the 1970’s and 1980’s, exploration by predecessor companies of Minco, and others, discovered numerous small concentrations of mineralisation to the north-east of Tuam. However, the discoveries of the Galmoy and Lisheen mines in the 1990’s diverted attention and it was not until recent years that focus was again directed back to this Slieve Dart area, this time by Boliden.

The early results from Boliden's work resulted in the discovery of further small mineral occurrences. However, more importantly, it was recognised that there were some major structures extending through the area that could provide the plumbing system for bigger concentrations to depth. At the same time Boliden's discovery of the Tara Deep deposit, using a combination of good geology, adapting seismic survey techniques used in oil exploration, and a commitment to drilling, highlighted the way forward for exploration in the Slieve Dart area.

In late 2019, in conjunction with Boliden and the Geological Survey of Ireland, Minco funded a seismic survey across the Slieve Dart area. Interpretation of the results of that survey during the past year has supported the interpretation of a major structural plumbing system hidden beneath the cover rocks.

In late 2022, a drill test along the line of the seismic survey to validate the interpretation was completed, confirming the presence of the prospective rocks, and a plumbing system. Rocks similar to those that host the significant orebodies within the Irish Midlands, including Tynagh, Lisheen and Galmoy, were intersected at depths between 300 and 390 meters. This was much shallower than expected and was explained by an earlier intersected major fault.

In 2023, re-examination of historic geophysical data, including data produced by the Geological Survey of Ireland, and a detailed review of the historic soil geochemical data highlighted a variable, but obvious, trend of mineral and alteration element concentrations, extending to the east and west of the drill hole indicating that this trend aligns with a regional geophysical anomaly.

The combination of these observations and patterns suggest that a primary target area is located between the seismic line and the Mount Mary Inlier, 15 km to the east. This area has not been drilled tested to the base of reef. Within this area, our review highlighted some historic anomalous soil geochemical values. It is our intention to conduct more detailed geochemical and geophysical studies to confirm this with the objective of identifying a specific target for drill testing later this year.

Several other structural – stratigraphic targets remain untested further to the north along the seismic line. Drill testing each of these targets would undoubtedly add considerably to our knowledge. However, it would be very expensive to drill them all, so prioritisation by other methods will be the focus of our programs during the coming year.

As a result of this work, Minco has now earned a 50% interest in the Joint Venture, with the other 50% being held by Boliden Tara Mines.

In addition, Minco contributed 50% of the expenditures in five new licences contiguous to the east which are held by Boliden. The results from this expenditure have been reported to the Department. On formal acceptance of that report, it is the intention to seek Ministerial approval to incorporate these new licences into the overall 500 km² joint venture area and advance the exploration as part of a coherent entity.

Navan (Tatestown) (20% interest)

Minco (20%) is participating in a joint venture with Boliden (80%) on Licence 1440R (Tatestown) just to the north-east of the Tara Mine. This licence has numerous untested targets similar in scale to the small Tatestown - Scallanstown Prospect which was discovered in the 1970's. Because of the proximity to the Tara Mine and its infrastructure, the size of mineral deposit required to make a discovery here economic is smaller than it would be in a standalone, greenfield setting.

Minco has maintained its 20% interest in the licence and, in conjunction with Boliden, Minco will continue with a systematic evaluation program with the intention of developing further targets within this highly prospective and strategically located licence.

Kells (50% interest, with option to earn 75%)

Minco has an option from Boliden to earn a 75% interest in PL 3373, about 15km to the west of the Tara Mine. With our joint venture partner, Boliden, we have reviewed the historic seismic data for the area in light of the significant advances in the processing and interpretation of seismic data. This review of the historic exploration data highlighted four targets within the licence in rocks located at depths similar to those that host the Tara orebody, determined that further drill testing is warranted.

Drilling in the Kells area during 2022 on the first of these four targets confirmed the interpretation of the geology but, unfortunately, there was no significant mineralisation encountered. Minco earned a 50% interest in this joint venture and is now assessing the results with the intention to test the next target, which upon completion will increase Minco's interest in the licence to 75%.

Moate Block (100% interest)

On Minco's 100% owned Moate licence block, where the target is a Tynagh Mine type deposit (11.8 Mt @ 11.5% Zn+Pb), a target has been defined to the east of Athlone which is considered analogous to the zinc-lead mineralised zones at the former Tynagh mine, 45 km to the south-west, and the smaller Ballinalack deposit to the east.

The two licences in the Moate block, in which Minco holds a 100% interest, were re-issued by the Department in November 2021 for a further 6-year term. These are expensive licences and we will need to carefully consider our priorities and assess if such an expenditure gives the best value for our shareholders.

Milltown (100% interest)

Minco was granted a new Licence by the Minister for the Environment, Climate and Communications, in February 2023 to explore the Milltown area in County Clare. The Licences cover the Milltown mineral prospect and adjacent ground in County Clare which Minco believes to be prospective for Irish type Zn+Pb mineralisation.

Historic mining of calcite was conducted at the Milltown site in the 19th century via an open-pit, and previous work located a significant zinc and lead deposit at the base of the Reef in Milltown Townland, a couple of kilometres west of Tulla. Subsequent exploration efforts in the mid-1990's identified base metal mineralization beneath the coarsely crystalline calcite.

Given that mineral prospects rarely occur in isolation, Minco plans to compile all of the historic exploration data to identify exploration targets.

OUTLOOK

Minco was disappointed to learn of the recent suspension of mining and related activity by Boliden at Tara Mines. This suspension is a significant blow to the Irish mining industry, to the economy of Navan and indeed the whole of north-east Leinster, and of course to the thousands of people whose employment, directly and indirectly, has been impacted. Ireland has been Europe's main supplier of zinc, and now for the first time in almost six decades, has no producing base metal mine. The suspension was not because the reserves are depleted. In fact, a satellite orebody, Tara Deep, discovered by a combination of technology developed in the oil industry, by excellence in geological reasoning and interpretation, and by management committing to systematic deep drilling, had, we thought, copper fastened thousands of jobs for decades to come.

The reasons given by Boliden for the decision to suspend operations are the decline in the price of zinc earlier this year, the high cost of energy in Ireland, inflation and operational factors. We hope that the suspension is temporary and that, on resumption of operations, continued exploration and development of the Tara Deep discovery will be allowed to continue, so that Tara's future can be guaranteed for the coming decades.

The increasing bureaucratisation of exploration which has been witnessed and experienced over the last couple of years is hampering the primary function of exploration, which is discovery of new mineral deposits. Money raised for exploration should be spent on the ground, and not on time-consuming, box-ticking exercises designed to keep administrators happy.

Recognition of the important role that minerals play in the worldwide shift to clean energy and the drive to meet net-zero emission targets, has finally begun to be recognised by governments.

In March 2023, the European Union introduced the Critical Raw Materials Act to ensure the EU's access to a secure, diversified, affordable and sustainable supply of critical raw materials. The Act recognizes that Critical Raw Materials are indispensable for the EU economy and for a wide range of necessary technologies for strategic sectors such as renewable energy, digital, space and defence.

While demand for critical raw materials is projected to increase significantly, Europe heavily relies on imports, often from quasi-monopolistic third country suppliers. The EU needs to mitigate the risks for supply chains related to such strategic dependencies to enhance its economic resilience, as highlighted by shortages in the aftermath of the COVID-19 pandemic and the energy crisis following Russia's invasion of Ukraine. This can put at risk the EU's efforts to meet its climate and digital objectives.

The Act specifies the actions necessary to ensure EU access to a secure and sustainable supply of critical raw materials, enabling Europe to meet its 2030 climate and digital objectives. The Act is intended to reduce the administrative burden and simplify permitting procedures for critical raw materials projects in the EU. In addition, selected Strategic Projects will benefit from support for access to finance and shorter permitting timeframes (24 months for extraction permits and 12 months for processing and recycling permits). The Act is currently under consideration by the EU Parliament with the expectation that it will be enacted into EU law later this year. Member States, including Ireland, will have to develop national programmes for exploring their own geological resources.

Minco, which is a registered member of the European Raw Materials Alliance, has recommended that the list of Critical Materials should be expanded to include the base metals, zinc and copper, which are included as critical minerals by both United States and Canada.

Ireland supplies a significant amount of zinc to Europe, or at least we did until the suspension of mining at Tara. The Geological Survey Ireland, in its paper published in March 2023, titled Green Metals: Demand Arising from Decarbonisation of Energy and Transport Sectors, wrote: *“Continuing and expanding production of zinc in Ireland has the potential to make the country’s mineral sector of strategic importance in realisation of climate action targets in Europe.”*

Clearly the current price of zinc makes it extremely difficult to raise risk capital for exploration. However, zinc is essential to make the transition into a green economy, and simple supply-demand pressure will, we believe, result in zinc prices returning to higher levels in the medium-term.

However, in this current economic and investment environment, raising risk capital to fund grassroots exploration is a daunting task. There is no guarantee that investor support will continue.

With that in mind, we have, over the past year, been reassessing our business model to determine if other strategies might provide attractive investment opportunities. We consider that, while maintaining our interest in the blue-sky potential of our exploration portfolio, a future focus on advanced project opportunities that could be fast-tracked through pre-feasibility and onwards to production might offer another attractive option for our shareholders.

We thank you for your continued support.

John F. Kearney
Chairman

Peter McParland
Chief Executive

30th September 2023

ABOUT MINCO EXPLORATION PLC

Minco Exploration PLC is a mineral exploration company focused on mineral exploration in Ireland, where Minco holds Prospecting Licences which are considered highly prospective for the discovery of zinc-lead mineralization.

The Licences are operated by Minco or in joint venture with Boliden Tara Mines. Minco is participating (20%) in a joint venture with Boliden (80%) on Licence 1440R (Tatestown), which lies immediately adjacent to Boliden’s large 130 million tonnes Tara zinc-lead mine at Navan. Minco is also participating in a joint venture with Boliden on Licence 3373 (Kells), contiguous to the west of Licence 1440R, where Minco can earn up to a 75% interest; and in a joint venture with Boliden on ten Prospecting Licences in County Galway (Slieve Dart) where Minco has earned a 50% interest. Minco also holds a 100% interest in two Licences at Moate, County Westmeath and an additional new Licence covering the Milltown mineral prospect in County Clare.

Additional information about the Company is available at www.MincoExploration.com.