

# Minco Silver Enters Preliminary Agreement to Acquire Producing Gold Mine in China

**TSX: MSV; OTCQX: MISVF**

VANCOUVER, Sept. 13, 2018 /CNW/ - **Minco Silver Corporation** (the "Company" or "Minco Silver") (**TSX: MSV**) is pleased to announce that it has entered into a preliminary agreement to acquire 70% of the equity interests in Changling Longxin Mining Co., Ltd ("Longxin Mining"), a Chinese mining company which holds a 100% interest in the Longwangshan Gold Mine, located in Shuikuoshan mining district, Hunan, China. The Longwangshan Gold Mine is a fully permitted 1000 tonne-per-day open pit mine with a mill and smelter on site. The estimated purchase price for the 70% equity interest in Longxin Mining under the preliminary agreement is a range of 147-168 million Remnimbi (28-32 million Canadian).

Under the preliminary agreement, the Company, through its wholly owned subsidiary, Minco Mining (China) Co., Ltd. ("Minco China"), has exclusive rights to acquire 70% of the equity interests in the Longwangshan Gold Mine. The preliminary agreement was negotiated between the Company and the existing shareholders of Longxin Mining on an arms-length basis. The Company is conducting a full due diligence review of Longxin Mining and the Longwangshan Gold Mine, including a drilling program to verify the reserves and resources of the mine.

In conjunction with the proposed acquisition, Minco China has also entered a loan agreement with Longxin Mining and its shareholders pursuant to which Minco China has provided the shareholders with a convertible loan of 74.8 million Reminbi (the "Loan"). The term of the Loan is six months and bears interest at the rate of 10% per annum. The Loan is fully secured by the shareholders' 100% equity interest in Longxin Mining and all assets of the Longwangshan Gold Mine. In addition, the Loan has been fully guaranteed by the shareholders of Longxin Mining and a significant real estate company controlled by them. If the results of the due diligence program are positive and the Company decides to proceed with the acquisition, the Loan will be converted into equity in Longxin Mining and thereby credited towards the purchase price. If the Company decides not to proceed with the acquisition, then the Loan, together with all accrued interest, shall be repaid in full.

Further announcements with respect to the acquisition, the Longwangshan Gold Mine and the final purchase price will be made following the completion by the Company of its due diligence investigation, expected to be completed within three months.

## **About Minco Silver**

Minco Silver Corporation is a TSX and OTCQX listed company focusing on the acquisition and development of silver dominant projects. For more information on Minco Silver, please visit the Company's website at [www.mincosilver.ca](http://www.mincosilver.ca) or contact Jennifer Trevitt, at 1-888-288-8288 or (604) 688-8002 [pr@mincosilver.ca](mailto:pr@mincosilver.ca)

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**For further information:** on Minco Silver, please visit the Company's website at [www.mincosilver.ca](http://www.mincosilver.ca) or contact Jennifer Trevitt, at 1-888-288-8288 or (604) 688-8002, [pr@mincosilver.ca](mailto:pr@mincosilver.ca)

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