

Minco receives approval to provide Sterling financing

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Dr. Ken Cai reports

MINCO SILVER ANNOUNCES COURT RULING ON SUNSHINE MINE LEASE

Minco Silver Corp. has learned that, on May 15, 2009, the U.S. Bankruptcy Court, District of Idaho, released its memorandum of decision on Sterling Mining Co.'s motion to assume and cure the lease of the Sunshine mine of June 6, 2003 (the Sunshine lease), between Sterling and Sunshine Precious Metals Inc. (SPMI), and a motion to approve a postpetition financing proposed by Minco Silver.

The court ruled in favour of Sterling that the Sunshine lease was not terminated prebankruptcy, and granted Sterling the right to assume and cure the Sunshine lease, and reacquire the Sunshine mine.

The court approved the company's proposal to provide Sterling with up to \$1-million (U.S.) secured postpetition financing, under a credit facility, to cure any defaults of the Sunshine lease, as ordered by the court, and to meet administration expenses, and expenses associated with the continued care and maintenance of the Sunshine mine.

Minco Silver's chairman and chief executive officer, Dr. Ken Cai, commented: "It has been a long road; we are very happy with the court's decision. The Sunshine lease is a major and valuable asset of Sterling, and is Minco Silver's main security for the \$5-million (U.S.) loan provided to Sterling. We are committed to protecting our investment in Sterling and our shareholder value."

We seek Safe Harbor.