



**TSX: MSV**

**For Immediate Release**

**August 19, 2009**

**NEWS RELEASE**

## **MINCO SILVER ANNOUNCES TURNOVER OF THE SUNSHINE MINE**

**Minco Silver Corporation** (the "Company" or "Minco Silver") (**TSX: MSV**) is pleased to announce the turnover of the Sunshine Mine and wishes to respond to the various news releases and media statements and interviews by SNS Silver Corp. (TSX:SNS-V) ("SNS") and Sunshine Precious Metals, Inc ("SPMI") and provide an update on Sterling Mining Company ("Sterling"), its bankruptcy and the status of the Sunshine Mine.

Minco Silver is pleased to announce that on August 14, 2009 the United States Bankruptcy Court district of Idaho (the "Court") held that SPMI's continued occupation of the Sunshine Mine is contrary to the best interest of the Sunshine Mine and ordered the possession of the Sunshine Mine be returned to Sterling. Turnover occurred at 12:00 pm on Wednesday August 19, 2009.

Minco Silver is please to provide the following update.

On March 3, 2009, shortly after Sterling filed its petition in bankruptcy, the Company in its efforts to support Sterling, assumed a portion of Sterling's financial obligations including but not limited to all insurance costs and obligations under the lease dated June 6, 2003 (the "Sunshine Lease"). Furthermore, Minco Silver extended to Sterling pursuant to the terms of a post petition financing agreement an additional US\$1,000,000 line of credit to fund Sterling's expenses and costs associated with the Sunshine Mine (the "Post Petition Financing").

On May 15, 2009, the Court issued an interim order approving the Post Petition Financing and announced the first of two pivotal decisions paving the way for Sterling to regain the Sunshine Mine, ensuring the protection of creditors from investment loss.

On May 20, 2009, the Company announced that the Court issued the first ruling in favor of Sterling which held that the Sunshine Lease was not terminated and granted the right to cure for any defaults as determined by the Court.

On July 14, 2009 SNS abandoned the Sunshine Mine effectively turning over the mine to SPMI raising serious concerns as to the state and condition of the mine due to inadequate maintenance and the impending risk of damage from rising water.

We are committed to the reorganization of Sterling and looking forward to work with Sterling to care and maintain the Sunshine Mine." commented by Dr. Ken Cai, Chairman and CEO of the Company.

### **About Minco Silver**

**Minco Silver Corporation (TSX: MSV)** is a TSX listed company focusing on the acquisition and development of silver dominant projects. The Company owns 90% interest in the world class Fuwan Silver Deposit, situated along the northeast margin of the highly prospective Fuwan Silver Belt. For more information on Minco Silver, please visit the website at [www.mincosilver.ca](http://www.mincosilver.ca) or

contact Ute Koessler at 1-888-288-8288 or (604) 688-8002 [ir@mincosilver.ca](mailto:ir@mincosilver.ca).

**ON BEHALF OF THE BOARD**

*"Dr. Ken Z. Cai"*

**Chairman & CEO**

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